

PRINTING CODE. Amendments: Whenever an existing statute (or a section of the Indiana Constitution) is being amended, the text of the existing provision will appear in this style type, additions will appear in **this style type**, and deletions will appear in ~~this style type~~.

Additions: Whenever a new statutory provision is being enacted (or a new constitutional provision adopted), the text of the new provision will appear in **this style type**. Also, the word **NEW** will appear in that style type in the introductory clause of each SECTION that adds a new provision to the Indiana Code or the Indiana Constitution.

Conflict reconciliation: Text in a statute in *this style type* or ~~this style type~~ reconciles conflicts between statutes enacted by the 2016 Regular Session of the General Assembly.

HOUSE ENROLLED ACT No. 1001

AN ACT to amend the Indiana Code concerning state offices and administration and to make an appropriation.

Be it enacted by the General Assembly of the State of Indiana:

SECTION 1. [EFFECTIVE JULY 1, 2017]

(a) The following definitions apply throughout this act:

- (1) "Augmentation allowed" means the governor and the budget agency are authorized to add to an appropriation in this act from revenues accruing to the fund from which the appropriation was made.
- (2) "Biennium" means the period beginning July 1, 2017, and ending June 30, 2019. Appropriations appearing in the biennial column for construction or other permanent improvements do not revert under IC 4-13-2-19 and may be allotted.
- (3) "Deficiency appropriation" or "special claim" means an appropriation available during the 2016-2017 fiscal year.
- (4) "Equipment" includes machinery, implements, tools, furniture, furnishings, vehicles, and other articles that have a calculable period of service that exceeds twelve (12) calendar months.
- (5) "Fee replacement" includes payments to universities to be used to pay indebtedness resulting from financing the cost of planning, purchasing, rehabilitation, construction, repair, leasing, lease-purchasing, or otherwise acquiring land, buildings, facilities, and equipment to be used for academic and instructional purposes.
- (6) "Federally qualified health center" means a community health center that is designated by the Health Resources Services Administration, Bureau of Primary Health Care, as a Federally Qualified Health Center Look Alike under the FED 330 Consolidated Health Center Program authorization, including Community Health Center (330e), Migrant



Health Center (330g), Health Care for the Homeless (330h), Public Housing Primary Care (330i), and School Based Health Centers (330).

(7) "Other operating expense" includes payments for "services other than personal", "services by contract", "supplies, materials, and parts", "grants, subsidies, refunds, and awards", "in-state travel", "out-of-state travel", and "equipment".

(8) "Pension fund contributions" means the state of Indiana's contributions to a specific retirement fund.

(9) "Personal services" includes payments for salaries and wages to officers and employees of the state (either regular or temporary), payments for compensation awards, and the employer's share of Social Security, health insurance, life insurance, dental insurance, vision insurance, deferred compensation - state match, leave conversion, disability, and retirement fund contributions.

(10) "SSBG" means the Social Services Block Grant. This was formerly referred to as "Title XX".

(11) "State agency" means:

(A) each office, officer, board, commission, department, division, bureau, committee, fund, agency, authority, council, or other instrumentality of the state;

(B) each hospital, penal institution, and other institutional enterprise of the state;

(C) the judicial department of the state; and

(D) the legislative department of the state.

However, this term does not include cities, towns, townships, school cities, school townships, school districts, other municipal corporations or political subdivisions of the state, or universities and colleges supported in whole or in part by state funds.

(12) "State funded community health center" means a public or private not for profit (501(c)(3)) organization that provides comprehensive primary health care services to all age groups.

(13) "Total operating expense" includes payments for both "personal services" and "other operating expense".

(b) The state board of finance may authorize advances to boards or persons having control of the funds of any institution or department of the state of a sum of money out of any appropriation available at such time for the purpose of establishing working capital to provide for payment of expenses in the case of emergency when immediate payment is necessary or expedient. Advance payments shall be made by warrant by the auditor of state, and properly itemized and receipted bills or invoices shall be filed by the board or persons receiving the advance payments.

(c) All money appropriated by this act shall be considered either a direct appropriation or an appropriation from a rotary or revolving fund.

(1) Direct appropriations are subject to withdrawal from the state treasury and for expenditure for such purposes, at such time, and in such manner as may be prescribed by law. Direct appropriations are not subject to return and rewithdrawal from the state treasury, except for the correction of an error which may have occurred in any transaction or for reimbursement of expenditures which have occurred in the same fiscal year.



(2) A rotary or revolving fund is any designated part of a fund that is set apart as working capital in a manner prescribed by law and devoted to a specific purpose or purposes. The fund consists of earnings and income only from certain sources or combination of sources. The money in the fund shall be used for the purpose designated by law as working capital. The fund at any time consists of the original appropriation to the fund, if any, all receipts accrued to the fund, and all money withdrawn from the fund and invested or to be invested. The fund shall be kept intact by separate entries in the auditor of state's office, and no part of the fund shall be used for any purpose other than the lawful purpose of the fund or revert to any other fund at any time. However, any unencumbered excess above any prescribed amount may be transferred to the state general fund at the close of each fiscal year unless otherwise specified in the Indiana Code.

SECTION 2. [EFFECTIVE JULY 1, 2017]

For the conduct of state government, its offices, funds, boards, commissions, departments, societies, associations, services, agencies, and undertakings, and for other appropriations not otherwise provided by statute, the following sums in SECTIONS 3 through 10 are appropriated for the periods of time designated from the general fund of the state of Indiana or other specifically designated funds.

In this act, whenever there is no specific fund or account designated, the appropriation is from the general fund.

SECTION 3. [EFFECTIVE JULY 1, 2017]

GENERAL GOVERNMENT

A. LEGISLATIVE

FOR THE GENERAL ASSEMBLY

LEGISLATORS' SALARIES - HOUSE

Total Operating Expense	6,706,080	7,851,879
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HOUSE EXPENSES

Total Operating Expense	11,894,570	12,158,288
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LEGISLATORS' SALARIES - SENATE

Total Operating Expense	2,405,318	2,405,318
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SENATE EXPENSES

Total Operating Expense	9,893,709	11,162,575
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Included in the above appropriations for house and senate expenses are funds for a legislative business per diem allowance, meals, and other usual and customary expenses associated with legislative affairs. Except as provided below, this allowance is to be paid to each member of the general assembly for every day, including Sundays, during which the general assembly is convened in regular or special session, commencing



with the day the session is officially convened and concluding with the day the session is adjourned sine die. However, after five (5) consecutive days of recess, the legislative business per diem allowance is to be made on an individual voucher basis until the recess concludes.

Each member of the general assembly is entitled, when authorized by the speaker of the house or the president pro tempore of the senate, to the legislative business per diem allowance for every day the member is engaged in official business.

The legislative business per diem allowance that each member of the general assembly is entitled to receive equals the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area. The legislative business per diem changes each time there is a change in that maximum daily amount.

In addition to the legislative business per diem allowance, each member of the general assembly shall receive the mileage allowance in an amount equal to the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service for each mile necessarily traveled from the member's usual place of residence to the state capitol. However, if the member traveled by a means other than by motor vehicle, and the member's usual place of residence is more than one hundred (100) miles from the state capitol, the member is entitled to reimbursement in an amount equal to the lowest air travel cost incurred in traveling from the usual place of residence to the state capitol. During the period the general assembly is convened in regular or special session, the mileage allowance shall be limited to one (1) round trip each week per member.

Any member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or Indiana legislative council to serve on any research, study, or survey committee or commission, or who attends any meetings authorized or convened under the auspices of the Indiana legislative council, including pre-session conferences and federal-state relations conferences, is entitled, when authorized by the legislative council, to receive the legislative business per diem allowance for each day the member is in actual attendance and is also entitled to a mileage allowance, at the rate specified above, for each mile necessarily traveled from the member's usual place of residence to the state capitol, or other in-state site of the committee, commission, or conference. The per diem allowance and the mileage allowance permitted under this paragraph shall be paid from the legislative council appropriation for legislator and lay member travel unless the member is attending an out-of-state meeting, as authorized by the speaker of the house of representatives or the president pro tempore of the senate, in which case the member is entitled to receive:

- (1) the legislative business per diem allowance for each day the member is engaged in approved out-of-state travel; and
- (2) reimbursement for traveling expenses actually incurred in connection with the



member's duties, as provided in the state travel policies and procedures established by the legislative council.

Notwithstanding the provisions of this or any other statute, the legislative council may adopt, by resolution, travel policies and procedures that apply only to members of the general assembly or to the staffs of the house of representatives, senate, and legislative services agency, or both members and staffs. The legislative council may apply these travel policies and procedures to lay members serving on research, study, or survey committees or commissions that are under the jurisdiction of the legislative council. Notwithstanding any other law, rule, or policy, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency do not apply to members of the general assembly, to the staffs of the house of representatives, senate, or legislative services agency, or to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council (if the legislative council applies its travel policies and procedures to lay members under the authority of this SECTION), except that, until the legislative council adopts travel policies and procedures, the state travel policies and procedures established by the Indiana department of administration and approved by the budget agency apply to members of the general assembly, to the staffs of the house of representatives, senate, and legislative services agency, and to lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council. The executive director of the legislative services agency is responsible for the administration of travel policies and procedures adopted by the legislative council. The auditor of state shall approve and process claims for reimbursement of travel related expenses under this paragraph based upon the written affirmation of the speaker of the house of representatives, the president pro tempore of the senate, or the executive director of the legislative services agency that those claims comply with the travel policies and procedures adopted by the legislative council. If the funds appropriated for the house and senate expenses and legislative salaries are insufficient to pay all the necessary expenses incurred, including the cost of printing the journals of the house and senate, there is appropriated such further sums as may be necessary to pay such expenses.

LEGISLATORS' SUBSISTENCE

LEGISLATORS' EXPENSES - HOUSE

Total Operating Expense	2,872,220	2,609,126
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LEGISLATORS' EXPENSES - SENATE

Total Operating Expense	1,245,888	1,195,888
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Each member of the general assembly is entitled to a subsistence allowance of forty percent (40%) of the maximum daily amount allowable to employees of the executive branch of the federal government for subsistence expenses while away from home in travel status in the Indianapolis area for:

- (1) each day that the general assembly is not convened in regular or special session;
- and



(2) each day after the first session day held in November and before the first session day held in January.

However, the subsistence allowance under subdivision (2) may not be paid with respect to any day after the first session day held in November and before the first session day held in January with respect to which all members of the general assembly are entitled to a legislative business per diem.

The subsistence allowance is payable from the appropriations for legislators' subsistence.

The officers of the senate are entitled to the following amounts annually in addition to the subsistence allowance: president pro tempore, \$7,000; assistant president pro tempore, \$3,000; majority floor leader, \$5,500; assistant majority floor leader(s), \$3,500; majority floor leader emeritus, \$2,500; majority caucus chair, \$5,500; assistant majority caucus chair(s), \$1,500; appropriations committee chair, \$5,500; tax and fiscal policy committee chair, \$5,500; appropriations committee ranking majority member, \$2,000; tax and fiscal policy committee ranking majority member, \$2,000; majority whip, \$4,000; assistant majority whip, \$2,000; minority floor leader, \$6,000; minority leader emeritus, \$1,500; minority caucus chair, \$5,000; assistant minority floor leader, \$5,000; appropriations committee ranking minority member, \$2,000; tax and fiscal policy committee ranking minority member, \$2,000; minority whip(s), \$2,000; assistant minority whip, \$1,000; assistant minority caucus chair(s), \$1,000; agriculture committee chair, \$1,000; natural resources committee chair, \$1,000; public policy committee chair, \$1,000; corrections and criminal law committee chair, \$1,000; civil law committee chair, \$1,000; education and career development chair, \$1,000; elections committee chair, \$1,000; environmental affairs committee chair, \$1,000; family and children services committee chair, \$1,000; pensions and labor committee chair, \$1,000; health and provider services committee chair, \$1,000; homeland security and transportation committee chair, \$1,000; veterans affairs and the military committee chair, \$1,000; insurance and financial institutions committee chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair, \$1,000; utilities committee chair, \$1,000; commerce and technology committee chair, \$1,000; appointments and claims committee chair, \$1,000; rules and legislative procedure committee chair, \$1,000; and ethics committee chair, \$1,000. If an officer fills more than one (1) leadership position, the officer shall be paid for the higher paid position.

Officers of the house of representatives are entitled to the following amounts annually in addition to the subsistence allowance: speaker of the house, \$7,000; speaker pro tempore, \$5,000; deputy speaker pro tempore, \$2,000; majority floor leader, \$5,500; majority caucus chair, \$5,500; majority whip, \$4,000; assistant majority floor leader(s), \$3,500; assistant majority caucus chair(s), \$2,000; assistant majority whip(s), \$2,000; ways and means committee chair, \$5,500; ways and means committee vice chair, \$4,000; ways and means k-12 subcommittee chair, \$1,500; ways and means higher education subcommittee chair, \$1,500; ways and means budget subcommittee



chair, \$3,000; ways and means health and human services subcommittee chair, \$1,500; ways and means local government subcommittee chair, \$1,500; minority leader, \$5,500; minority floor leader, \$4,500; minority caucus chair, \$4,500; minority whip, \$3,000; assistant minority leader, \$1,500; assistant minority floor leader, \$1,500; assistant minority caucus chair, \$1,500; assistant minority whip, \$1,500; ways and means committee ranking minority member, \$3,500; agriculture and rural development committee chair, \$1,000; commerce, small business, and economic development committee chair, \$1,000; courts and criminal code committee chair, \$1,000; education committee chair, \$1,000; elections and apportionment committee chair, \$1,000; employment, labor, and pensions committee chair, \$1,000; environmental affairs committee chair, \$1,000; statutory committee on legislative ethics committee chair, \$1,000; family, children, and human affairs committee chair, \$1,000; financial institutions committee chair, \$1,000; government and regulatory reform committee chair, \$1,000; insurance committee chair, \$1,000; statutory committee on interstate and international cooperation committee chair, \$1,000; judiciary committee chair, \$1,000; local government committee chair, \$1,000; natural resources committee chair, \$1,000; public health committee chair, \$1,000; public policy committee chair, \$1,000; roads and transportation committee chair, \$1,000; rules and legislative procedures committee chair, \$1,000; select committee on government reduction committee chair, \$1,000; utilities, energy and telecommunications committee chair, \$1,000; and veterans affairs and public safety committee chair, \$1,000. If an officer fills more than one (1) leadership position, the officer may be paid for each of the paid positions.

If the senate or house of representatives eliminates a committee or officer referenced in this SECTION and replaces the committee or officer with a new committee or position, the above appropriations for subsistence shall be used to pay for the new committee or officer. However, this does not permit any additional amounts to be paid under this SECTION for a replacement committee or officer than would have been spent for the eliminated committee or officer. If the senate or house of representatives creates a new, additional committee or officer, or assigns additional duties to an existing officer, the above appropriations for subsistence shall be used to pay for the new committee or officer, or to adjust the annual payments made to the existing officer, in amounts determined by the legislative council.

If the funds appropriated for legislators' subsistence are insufficient to pay all the subsistence incurred, there are hereby appropriated such further sums as may be necessary to pay such subsistence.

FOR THE LEGISLATIVE COUNCIL AND THE LEGISLATIVE SERVICES AGENCY

Total Operating Expense	18,653,222	19,300,021
LEGISLATOR AND LAY MEMBER TRAVEL		
Total Operating Expense	847,500	847,500

Included in the above appropriations for the legislative council and legislative services agency expenses are funds for usual and customary expenses associated with legislative



services.

If the funds above appropriated for the legislative council and the legislative services agency and for legislator and lay member travel are insufficient to pay all the necessary expenses incurred, there are hereby appropriated such further sums as may be necessary to pay those expenses.

Any person other than a member of the general assembly who is appointed by the governor, speaker of the house, president or president pro tempore of the senate, house or senate minority floor leader, or legislative council to serve on any research, study, or survey committee or commission is entitled, when authorized by the legislative council, to a per diem instead of subsistence of \$75 per day during the 2017-2019 biennium. In addition to the per diem, such a person is entitled to mileage reimbursement, at the rate specified for members of the general assembly, for each mile necessarily traveled from the person's usual place of residence to the state capitol or other in-state site of the committee, commission, or conference. However, reimbursement for any out-of-state travel expenses claimed by lay members serving on research, study, or survey committees or commissions under the jurisdiction of the legislative council shall be based on SECTION 14 of this act, until the legislative council applies those travel policies and procedures that govern legislators and their staffs to such lay members as authorized elsewhere in this SECTION. The allowance and reimbursement permitted in this paragraph shall be paid from the legislative council appropriations for legislative and lay member travel unless otherwise provided for by a specific appropriation.

Included in the above appropriations for the legislative council and legislative services agency are funds for the printing and distribution of documents published by the legislative council. These documents include journals, bills, resolutions, enrolled documents, the acts of the first and second regular sessions of the 120th general assembly, the supplements to the Indiana Code for fiscal years 2017-2018 and 2018-2019, and the publication of the Indiana Administrative Code and the Indiana Register. Upon completion of the distribution of the Acts and the supplements to the Indiana Code, as provided in IC 2-6-1.5, remaining copies may be sold at a price or prices periodically determined by the legislative council. If the above appropriations for the printing and distribution of documents published by the legislative council are insufficient to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

STATE VIDEO STREAMING SERVICES

Build Indiana Fund (IC 4-30-17)

Total Operating Expense	375,950	387,229
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LEGISLATIVE CLOSED CAPTIONING SERVICES

Total Operating Expense	193,500	229,500
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If the above appropriations for legislative closed captioning services are insufficient



to pay all of the necessary expenses incurred, there are hereby appropriated such sums as may be necessary to pay such expenses.

LEGISLATIVE COUNCIL CONTINGENCY FUND

Total Operating Expense	113,062	113,062
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Disbursements from the fund may be made only for purposes approved by the chairman and vice chairman of the legislative council.

The legislative services agency shall charge the following fees, unless the legislative council sets these or other fees at different rates:

Annual subscription to the session document service for sessions ending in odd-numbered years: \$900

Annual subscription to the session document service for sessions ending in even-numbered years: \$500

Per page charge for copies of legislative documents: \$0.15

Annual charge for interim calendar: \$10

Daily charge for the journal of either house: \$2

COUNCIL OF STATE GOVERNMENTS ANNUAL DUES

Other Operating Expense	183,061	190,383
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NATIONAL CONFERENCE OF STATE LEGISLATURES ANNUAL DUES

Other Operating Expense	221,032	227,663
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NATIONAL BLACK CAUCUS OF STATE LEGISLATORS CONFERENCE

Other Operating Expense		250,000
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NATIONAL CONFERENCE OF INSURANCE LEGISLATORS ANNUAL DUES

Other Operating Expense	12,000	12,000
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EDUCATION COMMISSION OF THE STATES ANNUAL DUES

Other Operating Expense	95,790	98,664
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FOR THE INDIANA LOBBY REGISTRATION COMMISSION

Total Operating Expense	337,153	347,150
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FOR THE INDIANA PUBLIC RETIREMENT SYSTEM

LEGISLATORS' RETIREMENT FUND

Other Operating Expense	236,527	269,200
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B. JUDICIAL

FOR THE SUPREME COURT



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Personal Services	9,939,792	9,939,792	
Other Operating Expense	2,318,198	2,318,198	

The above appropriation for the supreme court personal services includes the subsistence allowance as provided by IC 33-38-5-8. The supreme court, through its technology committee, shall review the requests of the court of appeals and the public defender commission for a case management system.

LOCAL JUDGES' SALARIES

Personal Services	67,321,679	67,650,323
Other Operating Expense	1,000	1,000

COUNTY PROSECUTORS' SALARIES

Personal Services	31,035,401	31,035,401
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The above appropriations for county prosecutors' salaries represent the amounts authorized by IC 33-39-6-5 and that are to be paid from the state general fund.

In addition to the appropriations for local judges' salaries and for county prosecutors' salaries, there are hereby appropriated from the personal services/fringe benefits contingency fund the amounts that the state is required to pay for salary changes or for additional courts created by the 120th general assembly.

TRIAL COURT OPERATIONS

Total Operating Expense	1,246,075	1,246,075
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Of the above appropriations, \$500,000 each fiscal year is for court interpreters.

INDIANA COURT TECHNOLOGY

Total Operating Expense	2,000,000	3,000,000
Judicial Technology and Automation Project Fund (IC 33-24-6-12)		
Total Operating Expense	14,500,000	14,500,000

Augmentation allowed.

The above appropriation includes funding to develop and implement a statewide electronic filing system for court documents, a case management system, and a public defender case management system.

INDIANA CONFERENCE FOR LEGAL EDUCATION OPPORTUNITY

Total Operating Expense	778,750	778,750
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The above funds are appropriated to the division of state court administration in compliance with the provisions of IC 33-24-13-7.

GUARDIAN AD LITEM

Total Operating Expense	6,337,810	6,337,810
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The division of state court administration shall use the above appropriations to administer an office of guardian ad litem and court appointed special advocate services and to provide matching funds to counties that are required to implement, in courts with juvenile jurisdiction, a guardian ad litem and court appointed special advocate program for children who are alleged to be victims of child abuse or neglect under IC 31-33 and to administer the program. A county may use these matching funds to supplement amounts collected as fees under IC 31-40-3 to be used for the operation of guardian ad litem and court appointed special advocate programs. The county fiscal body shall appropriate adequate funds for the county to be eligible for these matching funds. In each fiscal year, the office of guardian ad litem shall set aside at least thirty thousand dollars (\$30,000) from the above appropriations to provide older youth foster care.

ADULT GUARDIANSHIP

Total Operating Expense	1,500,000	1,500,000
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The above appropriations are for the administration of the office of adult guardianship and to provide matching funds to county courts with probate jurisdiction that implement and administer programs for volunteer advocates for seniors and incapacitated adults who are appointed a guardian under IC 29. Volunteer advocates for seniors and incapacitated adults programs shall provide a match of 50% of the funds appropriated by the division of state court administration of which up to half may be an in-kind match and the remainder must be county funds or other local county resources. Only programs certified by the supreme court are eligible for matching funds. The above appropriations also include funds to develop and maintain an adult guardianship registry to serve as a data repository for adult guardianship cases and guardians appointed by the courts.

CIVIL LEGAL AID

Total Operating Expense	1,500,000	1,500,000
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The above appropriations include the appropriation provided in IC 33-24-12-7.

SPECIAL JUDGES - COUNTY COURTS

Total Operating Expense	149,000	149,000
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If the funds appropriated above for special judges of county courts are insufficient to pay all of the necessary expenses that the state is required to pay under IC 34-35-1-4, there are hereby appropriated such further sums as may be necessary to pay these expenses.

COMMISSION ON RACE AND GENDER FAIRNESS

Total Operating Expense	380,996	380,996
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JUDICIAL CENTER

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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Personal Services	3,294,283	3,294,283	
Other Operating Expense	2,669,197	2,669,197	

The above appropriations for the judicial center include funding for the judicial conference and for juvenile justice reform programming.

VETERANS PROBLEM-SOLVING COURTS

Total Operating Expense	1,000,000	1,000,000	
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The above appropriations shall be distributed for the establishment, training, and certification of veterans problem-solving courts.

DRUG AND ALCOHOL PROGRAMS FUND

Total Operating Expense	100,000	100,000	
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The above funds are appropriated notwithstanding the distribution under IC 33-37-7-9 for the purpose of administering, certifying, and supporting alcohol and drug services programs under IC 12-23-14. However, if additional funds are needed to carry out the purpose of the program, existing revenues in the fund may be allotted.

INTERSTATE COMPACT FOR ADULT OFFENDER SUPERVISION

Total Operating Expense	236,180	236,180	
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PROBATION OFFICERS TRAINING

Total Operating Expense	750,000	750,000	
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FOR THE PUBLIC DEFENDER COMMISSION

Total Operating Expense	18,350,000	18,350,000	
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The above appropriation is made in addition to the distribution authorized by IC 33-37-7-9(c) for the purpose of reimbursing counties for indigent defense services provided to a defendant. The division of state court administration of the supreme court of Indiana shall administer the public defense fund. The administrative costs may come from the public defense fund. Any balance in the public defense fund is appropriated to the public defender commission. Of the above appropriations, \$1,000,000 each year is for the public defense of the parents of CHINs.

FOR THE COURT OF APPEALS

Personal Services	10,705,015	10,705,015	
Other Operating Expense	1,586,352	1,593,452	

The above appropriations for the court of appeals personal services include the subsistence allowance provided by IC 33-38-5-8.

FOR THE TAX COURT

Personal Services	730,209	730,209	
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Other Operating Expense	156,030	156,030	
FOR THE PUBLIC DEFENDER			
Personal Services	6,322,493	6,322,493	
Other Operating Expense	1,023,837	1,023,837	
FOR THE PUBLIC DEFENDER COUNCIL			
Personal Services	1,117,329	977,329	
Other Operating Expense	407,243	407,243	
FOR THE PROSECUTING ATTORNEYS COUNCIL			
Personal Services	706,733	706,733	
Other Operating Expense	508,393	508,393	
DRUG PROSECUTION			
Drug Prosecution Fund (IC 33-39-8-6)			
Total Operating Expense	468,995	468,995	
Augmentation allowed.			
FOR THE INDIANA PUBLIC RETIREMENT SYSTEM			
JUDGES' RETIREMENT FUND			
Other Operating Expense	7,964,306	8,877,616	
PROSECUTORS' RETIREMENT FUND			
Other Operating Expense	3,013,800	3,215,600	
C. EXECUTIVE			
FOR THE GOVERNOR'S OFFICE			
Personal Services	1,812,266	1,812,266	
Other Operating Expense	56,534	56,534	
GOVERNOR'S RESIDENCE			
Total Operating Expense	111,138	111,138	
GOVERNOR'S CONTINGENCY FUND			
Total Operating Expense	5,104	5,104	
Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.			
GOVERNOR'S FELLOWSHIP PROGRAM			
Total Operating Expense	103,145	103,145	
SUBSTANCE ABUSE PREVENTION, TREATMENT, & ENFORCEMENT			
Addiction Services Fund (IC 12-23-2)			
Total Operating Expense	5,000,000	5,000,000	
FOR THE WASHINGTON LIAISON OFFICE			
Total Operating Expense	53,542	53,542	

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FOR THE LIEUTENANT GOVERNOR

Personal Services	1,877,783	1,877,783
Other Operating Expense	422,217	422,217

LIEUTENANT GOVERNOR'S CONTINGENCY FUND

Total Operating Expense	5,107	5,107
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Direct disbursements from the above contingency fund are not subject to the provisions of IC 5-22.

FOR THE SECRETARY OF STATE

ADMINISTRATION

Personal Services	4,300,232	4,300,232
Other Operating Expense	1,019,914	1,019,914

VOTER EDUCATION OUTREACH

Total Operating Expense	750,000	1,000,000
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The above appropriations shall be deposited in the voter education outreach fund established by IC 3-6-3.7-4.

FOR THE ATTORNEY GENERAL

ATTORNEY GENERAL

From the General Fund

21,641,910 21,641,910

From the Homeowner Protection Unit Account (IC 4-6-12-9)

500,000 500,000

Augmentation allowed.

From the Consumer Fees and Settlements Fund

1,831,401 1,831,401

Augmentation allowed.

From the Real Estate Appraiser Investigative Fund (IC 25-34.1-8-7.5)

50,000 50,000

Augmentation allowed.

From the Non-Consumer Settlements Fund

600,000 600,000

Augmentation allowed.

From the Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

818,916 818,916

Augmentation allowed.

From the Abandoned Property Fund (IC 32-34-1-33)

820,806 820,806

Augmentation allowed.

The amounts specified from the general fund, homeowner protection unit account,



consumer fees and settlements fund, real estate appraiser investigative fund, non-consumer settlements fund, tobacco master settlement agreement fund, and abandoned property fund are for the following purposes:

Personal Services	24,449,168	24,449,168
Other Operating Expense	1,813,865	1,813,865

HOMEOWNER PROTECTION UNIT

Homeowner Protection Unit Account (IC 4-6-12-9)

Total Operating Expense	799,572	799,572
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MEDICAID FRAUD UNIT

Total Operating Expense	1,400,000	1,400,000
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The above appropriations to the Medicaid fraud unit are the state's matching share of funding for the state Medicaid fraud control unit under IC 4-6-10 as prescribed by 42 U.S.C. 1396b(q). Augmentation allowed from collections.

UNCLAIMED PROPERTY

Abandoned Property Fund (IC 32-34-1-33)

Personal Services	1,330,555	1,330,555
Other Operating Expense	2,400,074	2,400,074

Augmentation allowed.

D. FINANCIAL MANAGEMENT

FOR THE AUDITOR OF STATE

Personal Services	4,707,622	4,707,622
Other Operating Expense	2,225,713	2,225,713

GOVERNORS' AND GOVERNORS' SURVIVING SPOUSES' PENSIONS

Total Operating Expense	188,065	188,065
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The above appropriations for governors' and governors' surviving spouses' pensions are made under IC 4-3-3.

FOR THE STATE BOARD OF ACCOUNTS

Personal Services	14,724,120	14,724,120
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STATE BOARD OF ACCOUNTS DEDICATED FUND

State Board of Accounts Dedicated Fund

Total Operating Expense	9,467,094	10,330,632
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FOR THE STATE BUDGET COMMITTEE

Total Operating Expense	44,000	44,000
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Notwithstanding IC 4-12-1-11(b), the salary per diem of the legislative members of



the budget committee is an amount equal to one hundred fifty percent (150%) of the legislative business per diem allowance. If the above appropriations are insufficient to carry out the necessary operations of the budget committee, there are hereby appropriated such further sums as may be necessary.

FOR THE OFFICE OF MANAGEMENT AND BUDGET

Personal Services	408,538	408,538
Other Operating Expense	306,200	106,200

The above appropriation includes \$200,000 in fiscal year 2018 for a water data hub. In addition, the above appropriation includes \$30,000 annually for the local pension report.

DISTRESSED UNIT APPEALS BOARD

Total Operating Expense	5,000,000	5,000,000
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MANAGEMENT AND PERFORMANCE HUB

Total Operating Expense	6,000,000	6,000,000
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Department of Insurance Fund (IC 27-1-3-28)

Total Operating Expense	1,300,000	1,300,000
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Database Management Fund

Total Operating Expense	1,700,000	1,700,000
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The above appropriation includes \$500,000 in fiscal year 2018 for Medicaid and unemployment insurance fraud prevention and \$300,000 in fiscal year 2018 to reduce recidivism at the department of correction.

FOR THE STATE BUDGET AGENCY

Personal Services	2,770,905	2,770,905
Other Operating Expense	422,812	422,812

DEPARTMENTAL AND INSTITUTIONAL EMERGENCY CONTINGENCY FUND

Total Operating Expense	1,940,000
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The above departmental and institutional emergency contingency fund appropriation is subject to allotment to departments, institutions, and all state agencies by the budget agency with the approval of the governor. These allocations may be made upon written request of proper officials, showing that contingencies exist that require additional funds for meeting necessary expenses. The budget committee shall be advised of each transfer request and allotment.

OUTSIDE BILL CONTINGENCY

Total Operating Expense	1	1
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PERSONAL SERVICESFRINGE BENEFITS CONTINGENCY FUND

Total Operating Expense	20,000,000
Personal Services/Fringe Benefits Contingency Fund	



Total Operating Expense	60,000,000
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The above personal services/fringe benefits contingency fund appropriations shall be allotted in the amount requested by the judicial branch, the legislative branch, and statewide elected officials by the budget agency. The above personal services/fringe benefits contingency fund appropriation may be allotted to departments, institutions, and all state agencies by the budget agency with the approval of the governor.

The above personal services/fringe benefits contingency fund appropriations may be used only for salary increases, fringe benefit increases, an employee leave conversion program, state retiree health programs, or related expenses.

Of the above appropriations, \$5,240,000 shall be paid to the Indiana public retirement system (IC 5-10.5-3-1) in each fiscal year to fund thirteenth checks for retired members of the public employees' retirement fund, the state excise police, gaming agent, gaming control officer, and conservation enforcement officers' retirement plan, the state police pre-1987 benefit system, and the state police 1987 benefit system.

RETIREE HEALTH BENEFIT TRUST FUND

Retiree Health Benefit Trust Fund (IC 5-10-8-8.5)

Total Operating Expense	17,551,576	17,551,576
Augmentation Allowed.		

The above appropriation for the retiree health plan:

- (1) is to fund employer contributions and benefits provided under IC 5-10-8.5;
- (2) does not revert at the end of any state fiscal year but remains available for the purposes of the appropriation in subsequent state fiscal years; and
- (3) is not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other law.

The budget agency may transfer appropriations from federal or dedicated funds to the trust fund to accrue funds to pay benefits to employees that are not paid from the general fund.

SCHOOL AND LIBRARY INTERNET CONNECTION

Total Operating Expense	1,500,000	1,500,000
Build Indiana Fund (IC 4-30-17-3)		
Total Operating Expense	3,500,000	3,500,000

Of the above appropriations, \$3,415,000 each year shall be used for schools under IC 4-34-3-4, and \$1,585,000 each year shall be used for libraries under IC 4-34-3-2, including schools and libraries that are not part of the ENA consortium.



INSPIRE

Other Operating Expense	1,382,250	1,382,250
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The above appropriations shall be used for the INSPIRE project under IC 4-34-3-2.

FOR THE INDIANA PUBLIC RETIREMENT SYSTEM

PUBLIC SAFETY PENSION

Total Operating Expense	150,000,000	145,000,000
Augmentation Allowed.		

FOR THE TREASURER OF STATE

Personal Services	1,230,712	1,230,712
Other Operating Expense	51,035	51,035

ABLE AUTHORITY (IC 12-11-14)

Total Operating Expense	255,466	235,966
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E. TAX ADMINISTRATION

FOR THE DEPARTMENT OF REVENUE

COLLECTION AND ADMINISTRATION

Personal Services	44,725,070	45,074,218
Other Operating Expense	26,465,075	26,115,927

With the approval of the governor and the budget agency, the department shall annually reimburse the state general fund for expenses incurred in support of the collection of dedicated fund revenue according to the department's cost allocation plan.

With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department of state revenue from taxes and fees.

OUTSIDE COLLECTIONS

Total Operating Expense	5,044,000	5,044,000
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With the approval of the governor and the budget agency, the foregoing sums for the department of state revenue's outside collections may be augmented to an amount not exceeding in total, together with the above specific amounts, one and one-tenth percent (1.1%) of the amount of money collected by the department from taxes and fees.

MOTOR CARRIER REGULATION

Motor Carrier Regulation Fund (IC 8-2.1-23)

Personal Services	3,293,335	3,293,335
Other Operating Expense	4,066,621	4,066,621



Augmentation allowed from the Motor Carrier Regulation Fund.

FOR THE INDIANA GAMING COMMISSION

From the State Gaming Fund (IC 4-33-13-2)		
2,918,000	2,918,000	
From the Gaming Investigations Fund		
600,000	600,000	

The amounts specified from the state gaming fund and gaming investigations fund are for the following purposes:

Personal Services	2,890,320	2,890,320
Other Operating Expense	627,680	627,680

The above appropriations to the Indiana gaming commission are made from revenues accruing to the state gaming fund under IC 4-33 before any distribution is made under IC 4-33-13-5.

Augmentation allowed.

The above appropriations to the Indiana gaming commission are made instead of the appropriation made in IC 4-33-13-4.

GAMING SALARY MATRIX ADJUSTMENT

State Gaming Fund (IC 4-33-13-2)		
Total Operating Expense	1,456,238	3,494,972

ATHLETIC COMMISSION

State Gaming Fund (IC 4-33-13-3)		
Total Operating Expense	64,587	64,587

Augmentation Allowed

Athletic Fund (IC 4-33-22-9)		
Total Operating Expense	100,000	100,000

Augmentation Allowed

FANTASY SPORTS REGULATION AND ADMINISTRATION

Fantasy Sports Regulation and Administration Fund (IC 4-33-24-28)		
Total Operating Expense	441,314	441,314

Augmentation Allowed

FOR THE INDIANA HORSE RACING COMMISSION

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)		
Personal Services	1,761,370	1,761,370
Other Operating Expense	310,799	310,799

The above appropriations to the Indiana horse racing commission are made from revenues accruing to the Indiana horse racing commission before any distribution is made under IC 4-31-9.



Augmentation allowed.

FINGERPRINT FEES

Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	10,400	10,400
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Augmentation allowed.

FOR THE DEPARTMENT OF LOCAL GOVERNMENT FINANCE

Personal Services	2,640,021	2,640,021
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Other Operating Expense	993,119	993,119
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FOR THE INDIANA BOARD OF TAX REVIEW

Personal Services	1,466,883	1,466,883
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Other Operating Expense	70,416	70,416
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F. ADMINISTRATION

FOR THE DEPARTMENT OF ADMINISTRATION

Personal Services	9,566,483	9,566,483
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Other Operating Expense	16,535,201	16,535,201
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MOTOR POOL ROTARY FUND

General Fund

Total Operating Expense	10,422,921	10,730,930
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Indiana Horse Racing Commission Operating Fund (IC 4-31-10-2)

Total Operating Expense	29,300	0
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Motor Fuel Inspection Fund (IC 16-44-3-10)

Total Operating Expense	143,000	44,000
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Entomology and Plant Pathology Fund (IC 14-24-10-3)

Total Operating Expense	72,000	0
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Charity Gaming Enforcement Fund (IC 4-32.2-7-3)

Total Operating Expense	98,550	100,500
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Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

Total Operating Expense	81,000	315,500
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Integrated Public Safety Communications Fund (IC 5-26-4-1)

Total Operating Expense	27,000	54,500
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Land and Water Resources Fund (IC 14-25-10-2)

Total Operating Expense	27,000	0
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Enforcement and Administration Fund (IC 7.1-4-10-1)

Total Operating Expense	311,725	206,725
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Fire and Building Services Fund (IC 22-12-6-1)

Total Operating Expense	100,000	110,800
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Public Utility Fund (IC 8-1-6-1)

Total Operating Expense	45,000	45,200
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Law Enforcement Academy Fund (IC 5-2-1-13)

Total Operating Expense	15,271	0
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State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)

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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	1,064,401	1,111,100	
Fish and Wildlife Fund (IC 14-22-3-2)			
Total Operating Expense	506,343	558,000	
Natural Resources Reclamation Division Fund (IC 14-34-14-2)			
Total Operating Expense	27,000	0	
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	1,492,500	1,500,000	
Administration Services Revolving Fund			
Total Operating Expense	21,200	0	
Equine Health & Care Programs Fund			
Total Operating Expense	107,600	81,900	

The budget agency may transfer portions of the above dedicated fund appropriations from the department of administration back to the agency that provided the appropriation if necessary.

In addition to the appropriations above, the budget agency with the approval of the governor may transfer appropriations to the motor pool rotary fund for the purchase of vehicles and related equipment.

FOR THE STATE PERSONNEL DEPARTMENT

Personal Services	2,658,561	2,658,561
Other Operating Expense	179,800	179,800

FOR THE STATE EMPLOYEES' APPEALS COMMISSION

Personal Services	115,378	115,378
Other Operating Expense	20,441	20,441

FOR THE OFFICE OF TECHNOLOGY

PAY PHONE FUND

Correctional Facilities Calling System Fund (IC 5-22-23-7)		
Total Operating Expense	1,280,000	1,280,000
Augmentation allowed.		

The pay phone fund is established for the procurement of hardware, software, and related equipment and services needed to expand and enhance the state campus backbone and other central information technology initiatives. Such procurements may include, but are not limited to, wiring and rewiring of state offices, Internet services, video conferencing, telecommunications, application software, and related services. Notwithstanding IC 5-22-23-5, the fund consists of the net proceeds received from contracts with companies providing phone services at state institutions and other state properties. The fund shall be administered by the office of technology. Money in the fund may be spent by the office in compliance with a plan approved by the budget agency. Any money remaining in the fund at the end of any fiscal year does not revert to the general fund or any other fund but remains in the pay phone fund.

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FOR THE INDIANA ARCHIVES AND RECORDS ADMINISTRATION

Personal Services	1,369,094	1,369,094
Other Operating Expense	363,459	363,459

FOR THE OFFICE OF THE PUBLIC ACCESS COUNSELOR

Personal Services	181,766	181,766
Other Operating Expense	10,618	10,618

FOR THE OFFICE OF STATE-BASED INITIATIVES

Total Operating Expense	104,305	104,305
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G. OTHER

FOR THE COMMISSION ON UNIFORM STATE LAWS

Total Operating Expense	97,811	87,498
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FOR THE OFFICE OF INSPECTOR GENERAL

Personal Services	1,092,496	1,092,496
Other Operating Expense	54,563	54,563

STATE ETHICS COMMISSION

Other Operating Expense	12,543	12,543
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FOR THE SECRETARY OF STATE

ELECTION DIVISION

Personal Services	929,346	929,346
Other Operating Expense	292,039	292,039

VOTER LIST MAINTENANCE

Total Operating Expense		2,500,000
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VOTER REGISTRATION SYSTEM

Total Operating Expense	3,211,784	3,211,784
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VOTER SYSTEM TECHNICAL OVERSIGHT PROGRAM

Total Operating Expense	595,000	595,000
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SECTION 4. [EFFECTIVE JULY 1, 2017]

PUBLIC SAFETY

A. CORRECTION

FOR THE DEPARTMENT OF CORRECTION

CENTRAL OFFICE

Personal Services	11,353,563	11,353,563
Other Operating Expense	28,448,619	31,212,122

ESCAPEE COUNSEL AND TRIAL EXPENSE



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Other Operating Expense	284,489	284,489	
COUNTY JAIL MISDEMEANANT HOUSING			
Total Operating Expense	4,152,639	4,152,639	
ADULT CONTRACT BEDS			
Total Operating Expense	1,090,304	1,090,304	
STAFF DEVELOPMENT AND TRAINING			
Personal Services	1,481,938	1,481,938	
Other Operating Expense	107,308	107,308	
PAROLE BOARD			
Personal Services	748,660	748,660	
Other Operating Expense	21,896	21,896	
INFORMATION MANAGEMENT SERVICES			
Personal Services	880,598	880,598	
Other Operating Expense	230,944	230,944	
JUVENILE TRANSITION			
Personal Services	408,347	408,347	
Other Operating Expense	724,880	724,880	
COMMUNITY CORRECTIONS PROGRAMS			
Total Operating Expense	72,424,747	72,424,747	

The above appropriations for community corrections programs are not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other law.

Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for community corrections programs do not revert to the general fund or another fund at the close of a state fiscal year but remain available in subsequent state fiscal years for the purposes of the program.

The appropriations are not subject to having allotment withheld by the state budget agency.

CENTRAL EMERGENCY RESPONSE			
Personal Services	1,008,407	1,008,407	
Other Operating Expense	190,866	190,866	
MEDICAL SERVICES			
Other Operating Expense	68,772,099	68,772,099	

The above appropriations for medical services shall be used only for services that are determined to be medically necessary. If a person provides medical services to committed individuals as provided in this paragraph and receives medical services payments in a state fiscal year from the above appropriations for providing those medical services, the person shall report the following to the budget committee not more than one (1) month after the end of that state fiscal year:

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- (1) The number of individuals to whom the person provided medical services as provided in this paragraph in the state fiscal year.**
- (2) The amount of medical service payments received from the above appropriations in the state fiscal year for providing such medical services.**

DRUG ABUSE PREVENTION

Drug Abuse Fund (IC 11-8-2-11)

Total Operating Expense	150,000	150,000
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Augmentation allowed.

COUNTY JAIL MAINTENANCE CONTINGENCY FUND

Other Operating Expense	17,895,366	17,895,366
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Disbursements from the fund shall be made for the purpose of reimbursing sheriffs for the cost of incarcerating in county jails persons convicted of felonies to the extent that such persons are incarcerated for more than five (5) days after the day of sentencing or the date upon which the department of correction receives the abstract of judgment and sentencing order, whichever occurs later, at a rate to be determined by the department of correction and approved by the state budget agency. The rate shall be based upon programming provided, and shall be \$35 per day. All requests for reimbursement shall be in conformity with department of correction policy. In addition to the per diem, the state shall reimburse the sheriffs for expenses determined by the sheriff to be medically necessary medical care to the convicted persons. However, if the sheriff or county receives money with respect to a convicted person (from a source other than the county), the per diem or medical expense reimbursement with respect to the convicted person shall be reduced by the amount received. A sheriff shall not be required to comply with IC 35-38-3-4(a) or transport convicted persons within five (5) days after the day of sentencing if the department of correction does not have the capacity to receive the convicted person.

The above appropriations for the county jail maintenance contingency fund are not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other law.

Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for the county jail maintenance contingency fund do not revert to the general fund or another fund at the close of a state fiscal year but remain available in subsequent state fiscal years for the purposes of the fund.

The appropriations are not subject to having allotment withheld by the state budget agency.

FOOD SERVICES

Total Operating Expense	36,381,682	36,381,682
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
EDUCATIONAL SERVICES			
Other Operating Expense	8,782,170	8,782,170	
JUVENILE DETENTION ALTERNATIVES INITIATIVE (JDAI)			
Total Operating Expense	3,000,000	3,000,000	

FOR THE PAROLE DIVISION

PAROLE DIVISION

Total Operating Expense	11,738,041	11,738,041	
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The above appropriations include funding for the division to utilize no less than 380 GPS ankle bracelets for monitoring.

FOR THE FIRST TIME OFFENDERS AT HERITAGE TRAILS

FIRST TIME OFFENDERS FACILITY AT HERITAGE TRAILS

Total Operating Expense	9,542,860	9,542,860	
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FOR THE SOUTH BEND WORK RELEASE CENTER

SOUTH BEND WORK RELEASE CENTER

General Fund

Total Operating Expense	2,278,033	2,278,033	
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Work Release (IC 11-10-8-6.5)

Total Operating Expense	350,000	350,000	
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 Augmentation allowed from Work Release - Study Release Special Revenue Fund.

FOR THE STATE BUDGET AGENCY

MEDICAL SERVICE PAYMENTS

Total Operating Expense	25,000,000	25,000,000	
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These appropriations for medical service payments are made to pay for services determined to be medically necessary for committed individuals, patients and students of institutions under the jurisdiction of the department of correction, the state department of health, the division of mental health and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, or the division of aging if the services are provided outside these institutions. These appropriations may not be used for payments for medical services that are covered by IC 12-16 unless these services have been approved under IC 12-16. These appropriations shall not be used for payment for medical services which are payable from an appropriation in this act for the state department of health, the division of mental health and addiction, the school for the blind and visually impaired, the school for the deaf, the division of disability and rehabilitative services, the division of aging, or the department of correction, or that are reimbursable from funds for medical assistance under IC 12-15. If these appropriations are insufficient to make these medical service payments, there is hereby appropriated such further sums as may be necessary.



Direct disbursements from the above contingency fund are not subject to the provisions of IC 4-13-2.

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CORRECTION OMBUDSMAN BUREAU

Personal Services	143,063	143,063
Other Operating Expense	3,581	3,581

FOR THE DEPARTMENT OF CORRECTION

INDIANA STATE PRISON

Personal Services	32,977,405	32,977,405
Other Operating Expense	4,925,297	4,925,297

PENDLETON CORRECTIONAL FACILITY

Personal Services	29,534,558	29,534,558
Other Operating Expense	4,463,373	4,463,373

CORRECTIONAL INDUSTRIAL FACILITY

Personal Services	19,789,190	19,789,190
Other Operating Expense	1,207,324	1,207,324

INDIANA WOMEN'S PRISON

Personal Services	10,902,444	10,902,444
Other Operating Expense	1,026,562	1,026,562

PUTNAMVILLE CORRECTIONAL FACILITY

Personal Services	28,544,023	28,544,023
Other Operating Expense	2,805,487	2,805,487

WABASH VALLEY CORRECTIONAL FACILITY

Personal Services	36,051,360	36,051,360
Other Operating Expense	3,967,930	3,967,930

INDIANAPOLIS RE-ENTRY EDUCATION FACILITY

Personal Services	6,285,556	6,285,556
Other Operating Expense	916,470	916,470

BRANCHVILLE CORRECTIONAL FACILITY

Personal Services	15,406,508	15,406,508
Other Operating Expense	1,936,446	1,936,446

WESTVILLE CORRECTIONAL FACILITY

Personal Services	40,929,301	40,929,301
Other Operating Expense	5,055,346	5,055,346

ROCKVILLE CORRECTIONAL FACILITY FOR WOMEN

Personal Services	14,357,303	14,357,303
Other Operating Expense	1,724,849	1,724,849

PLAINFIELD CORRECTIONAL FACILITY

Personal Services	20,324,963	20,324,963
Other Operating Expense	3,052,817	3,052,817

RECEPTION AND DIAGNOSTIC CENTER

Personal Services	13,058,875	13,058,875
Other Operating Expense	892,132	892,132

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	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
MIAMI CORRECTIONAL FACILITY			
Personal Services	29,422,866	29,422,866	
Other Operating Expense	4,262,721	4,262,721	
NEW CASTLE CORRECTIONAL FACILITY			
Other Operating Expense	41,130,553	41,130,553	
CHAIN O' LAKES CORRECTIONAL FACILITY			
Personal Services	1,479,073	1,479,073	
Other Operating Expense	187,549	187,549	
MADISON CORRECTIONAL FACILITY			
Personal Services	7,884,180	7,884,180	
Other Operating Expense	1,231,805	1,231,805	
EDINBURGH CORRECTIONAL FACILITY			
Personal Services	3,840,693	3,840,693	
Other Operating Expense	367,706	367,706	
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY			
Personal Services	11,552,899	11,552,899	
Other Operating Expense	713,364	713,364	
CAMP SUMMIT			
Personal Services	3,693,495	3,693,495	
Other Operating Expense	186,739	186,739	
PENDLETON JUVENILE CORRECTIONAL FACILITY			
Personal Services	16,294,327	16,294,327	
Other Operating Expense	982,808	982,808	
MADISON JUVENILE CORRECTIONAL FACILITY			
Personal Services	4,900,868	4,900,868	
Other Operating Expense	1,256,039	1,256,039	

B. LAW ENFORCEMENT

FOR THE INDIANA STATE POLICE AND MOTOR CARRIER INSPECTION

From the General Fund

119,097,359 119,097,359

From the Motor Carrier Regulation Fund (IC 8-2.1-23)

4,191,833 4,191,833

Augmentation allowed from the motor carrier regulation fund.

The amounts specified from the General Fund and the Motor Carrier Regulation Fund are for the following purposes:

Personal Services	107,386,481	107,386,481
Other Operating Expense	15,902,711	15,902,711

The above appropriations for personal services and other operating expense include funds to continue the state police minority recruiting program.



The above appropriations for the Indiana state police and motor carrier inspection include funds for the police security detail to be provided to the Indiana state fair board. However, amounts actually expended to provide security for the Indiana state fair board as determined by the budget agency shall be reimbursed by the Indiana state fair board to the state general fund.

ISP SALARY MATRIX ADJUSTMENT

Personal Services	8,676,646	20,823,950
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The above appropriations are for an adjustment to the ISP salary matrix.

MOTOR CARRIER INSPECTOR SALARY MATRIX ADJUSTMENT

Total Operating Expense	208,488	500,370
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CAPITOL POLICE SALARY MATRIX ADJUSTMENT

Total Operating Expense	291,582	699,798
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ISP OPEB CONTRIBUTION

Total Operating Expense	13,350,700	12,575,902
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INDIANA INTELLIGENCE FUSION CENTER

Total Operating Expense	1,372,939	1,372,939
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ODOMETER FRAUD INVESTIGATION

Motor Vehicle Odometer Fund (IC 9-14-14-2)

Total Operating Expense	94,200	94,200
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Augmentation allowed.

STATE POLICE TRAINING

State Police Training Fund (IC 5-2-8-5)

Total Operating Expense	500,000	500,000
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Augmentation allowed.

FORENSIC AND HEALTH SCIENCES LABORATORIES

From the General Fund

11,317,003	11,317,003
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From the Motor Carrier Regulation Fund (IC 8-2.1-23)

398,320	398,320
---------	---------

Augmentation allowed from the general fund and the motor carrier regulation fund.

The amounts specified from the Motor Carrier Regulation Fund are for the following purposes:

Personal Services	11,435,323	11,435,323
Other Operating Expense	280,000	280,000

ENFORCEMENT AID

Total Operating Expense	72,518	72,518
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The above appropriations for enforcement aid are to meet unforeseen emergencies of a confidential nature. They are to be expended under the direction of the superintendent and to be accounted for solely on the superintendent's authority.

PENSION FUND

Total Operating Expense	20,650,000	24,150,000
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The above appropriations shall be paid into the state police pension fund provided for in IC 10-12-2 in twelve (12) equal installments on or before July 30 and on or before the 30th of each succeeding month thereafter.

BENEFIT FUND

Total Operating Expense	5,500,000	5,600,000
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All benefits to members shall be paid by warrant drawn on the treasurer of state by the auditor of state on the basis of claims filed and approved by the trustees of the state police pension and benefit funds created by IC 10-12-2.

SUPPLEMENTAL PENSION

Total Operating Expense	3,125,000	3,125,000
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If the above appropriations for supplemental pension for any one (1) year are greater than the amount actually required under the provisions of IC 10-12-5, then the excess shall be returned proportionately to the funds from which the appropriations were made. If the amount actually required under IC 10-12-5 is greater than the above appropriations, then, with the approval of the governor and the budget agency, those sums may be augmented from the general fund.

ACCIDENT REPORTING

Accident Report Account (IC 9-26-9-3)

Total Operating Expense	5,000	5,000
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Augmentation allowed.

DRUG INTERDICTION

Drug Interdiction Fund (IC 10-11-7)

Total Operating Expense	208,550	208,550
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Augmentation allowed.

DNA SAMPLE PROCESSING FUND

DNA Sample Processing Fund (IC 10-13-6-9.5)

Total Operating Expense	1,312,304	1,312,304
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Augmentation allowed.

FOR THE INTEGRATED PUBLIC SAFETY COMMISSION

PROJECT SAFE-T

Integrated Public Safety Communications Fund (IC 5-26-4-1)

Total Operating Expense	11,874,947	11,874,947
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Augmentation allowed.

FOR THE ADJUTANT GENERAL

Personal Services	3,127,119	3,127,119
Other Operating Expense	4,382,454	4,382,454

CAMP ATTERBURY MUSCATATUCK CENTER FOR COMPLEX OPERATIONS

Personal Services	554,085	554,085
Other Operating Expense	23,106	23,106

DISABLED SOLDIERS' PENSION

Total Operating Expense	1	1
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Augmentation allowed.

MUTC - MUSCATATUCK URBAN TRAINING CENTER

Total Operating Expense	933,306	933,306
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HOOSIER YOUTH CHALLENGE ACADEMY

Total Operating Expense	2,438,850	2,438,850
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GOVERNOR'S CIVIL AND MILITARY CONTINGENCY FUND

Total Operating Expense	119,004	119,004
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The above appropriations for the governor's civil and military contingency fund are made under IC 10-16-11-1.

FOR THE CRIMINAL JUSTICE INSTITUTE

ADMIN. MATCH

Total Operating Expense	402,002	402,002
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DRUG ENFORCEMENT MATCH

Total Operating Expense	869,347	869,347
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To facilitate the duties of the Indiana criminal justice institute as outlined in IC 5-2-6-3, the above appropriation is not subject to the provisions of IC 4-9.1-1-7 when used to support other state agencies through the awarding of state match dollars.

VICTIM AND WITNESS ASSISTANCE FUND

Victim and Witness Assistance Fund (IC 5-2-6-14)

Total Operating Expense	723,609	723,609
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Augmentation allowed.

ENHANCED ENFORCEMENT DRUG MITIGATION AREA PILOT PROGRAM

Total Operating Expense	250,000	250,000
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ALCOHOL AND DRUG COUNTERMEASURES

Alcohol and Drug Countermeasures Fund (IC 9-27-2-11)

Total Operating Expense	337,765	337,765
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Augmentation allowed.

STATE DRUG FREE COMMUNITIES FUND

State Drug Free Communities Fund (IC 5-2-10-2)

Total Operating Expense	560,662	560,662
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Augmentation allowed.



INDIANA SAFE SCHOOLS

General Fund

Total Operating Expense	1,095,340	1,095,340
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Indiana Safe Schools Fund (IC 5-2-10.1-2)

Total Operating Expense	400,053	400,053
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Augmentation allowed from Indiana Safe Schools Fund.

The above appropriations for the Indiana safe schools program are for the purpose of providing grants to school corporations and charter schools for school safe haven programs, emergency preparedness programs, and school safety programs. The criminal justice institute shall transfer \$750,000 each fiscal year to the department of education to provide training to school safety specialists.

CHILD RESTRAINT SYSTEM FUND

Child Restraint System Account (IC 9-19-11-9)

Total Operating Expense	145,500	145,500
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HIGHWAY PASSENGER & COMMERCIAL VEHICLE GRANT

Office of Traffic Safety

Total Operating Expense	507,633	507,633
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The above appropriation for the office of traffic safety may be used to cover the state match requirement for this program according to the current highway safety plan approved by the governor and the budget agency.

SEXUAL ASSAULT VICTIMS' ASSISTANCE

Total Operating Expense	1,500,000	1,500,000
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Sexual Assault Victims Assistance Fund (IC 5-2-6-23(j))

Total Operating Expense	25,000	25,000
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Augmentation allowed.

VICTIMS OF VIOLENT CRIME ADMINISTRATION

Social Services Block Grant

Total Operating Expense	636,763	636,763
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Violent Crime Victims Compensation Fund (IC 5-2-6.1-40)

Personal Services	146,050	146,050
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Other Operating Expense	2,415,950	2,415,950
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Augmentation allowed.

DOMESTIC VIOLENCE PREVENTION AND TREATMENT

General Fund

Total Operating Expense	5,000,000	5,000,000
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Domestic Violence Prevention and Treatment Fund (IC 5-2-6.7-4)

Total Operating Expense	1,064,334	1,064,334
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Augmentation allowed.

The above appropriations are for programs and treatment for the prevention of domestic violence. The appropriations may not be used to construct or rehabilitate a shelter.



FOR THE DEPARTMENT OF TOXICOLOGY

General Fund

Total Operating Expense	2,344,728	2,344,728
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Breath Test Training and Certification Fund (IC 10-20-2-9)

Total Operating Expense	355,000	355,000
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Augmentation allowed.

FOR THE CORONERS TRAINING BOARD

Coroners Training and Continuing Education Fund (IC 4-23-6.5-8)

Total Operating Expense	388,000	388,000
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Augmentation allowed.

FOR THE LAW ENFORCEMENT TRAINING ACADEMY

From the General Fund

1,927,671	1,927,671
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From the Law Enforcement Academy Fund (IC 5-2-1-13)

2,125,467	2,125,467
------------------	------------------

Augmentation allowed from the Law Enforcement Academy Fund.

The amounts specified from the General Fund and the Law Enforcement Academy Fund are for the following purposes:

Personal Services	3,472,021	3,472,021
Other Operating Expense	581,117	581,117

C. REGULATORY AND LICENSING

FOR THE BUREAU OF MOTOR VEHICLES

Personal Services	15,957,952	15,957,952
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Other Operating Expense	11,988,932	11,988,932
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LICENSE PLATES

Bureau of Motor Vehicles Commission Fund (IC 9-14-14-1)

Total Operating Expense	8,605,503	14,205,503
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Augmentation allowed.

FINANCIAL RESPONSIBILITY COMPLIANCE VERIFICATION

Financial Responsibility Compliance Verification Fund (IC 9-25-9-7)

Total Operating Expense	6,183,531	6,183,531
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Augmentation allowed.

STATE MOTOR VEHICLE TECHNOLOGY

State Motor Vehicle Technology Fund (IC 9-14-14-3)

Total Operating Expense	4,950,726	4,950,726
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Augmentation allowed.

MOTORCYCLE OPERATOR SAFETY

Motorcycle Operator Safety Education Fund (IC 9-27-7-7)



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	1,080,251	1,080,251	
Augmentation allowed.			
FOR THE DEPARTMENT OF LABOR			
Personal Services	722,402	722,402	
Other Operating Expense	70,074	70,074	
BUREAU OF MINES AND MINING			
Personal Services	179,564	179,564	
Other Operating Expense	23,804	23,804	
QUALITY, METRICS, AND STATISTICS (MIS)			
Other Operating Expense	120,794	120,794	
OCCUPATIONAL SAFETY AND HEALTH			
Other Operating Expense	2,210,830	2,210,830	

The above appropriations for occupational safety and health and M.I.S. research and statistics reflect only the general fund portion of the total program costs of the Indiana occupational safety and health plan as approved by the U.S. Department of Labor. It is the intention of the general assembly that the Indiana department of labor make application to the federal government for the federal share of the total program costs.

EMPLOYMENT OF YOUTH

Employment of Youth Fund (IC 20-33-3-42)

Total Operating Expense	162,791	162,791
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Augmentation allowed.

INSAFE

Special Fund for Safety and Health Consultation Services (IC 22-8-1.1-48)

Other Operating Expense	384,260	384,260
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Augmentation allowed.

FOR THE DEPARTMENT OF INSURANCE

Department of Insurance Fund (IC 27-1-3-28)

Personal Services	5,436,852	5,436,852
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Other Operating Expense	1,120,029	1,120,029
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Augmentation allowed.

BAIL BOND DIVISION

Bail Bond Enforcement and Administration Fund (IC 27-10-5-1)

Personal Services	126,700	126,700
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Other Operating Expense	4,907	4,907
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Augmentation allowed.

PATIENT'S COMPENSATION AUTHORITY

Patient's Compensation Fund (IC 34-18-6-1)

Personal Services	688,240	688,240
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Other Operating Expense	814,800	814,800
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Augmentation allowed.

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POLITICAL SUBDIVISION RISK MANAGEMENT

Political Subdivision Risk Management Fund (IC 27-1-29-10)

Other Operating Expense	119,932	119,932
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Augmentation allowed.

MINE SUBSIDENCE INSURANCE

Mine Subsidence Insurance Fund (IC 27-7-9-7)

Total Operating Expense	637,758	637,758
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Augmentation allowed.

TITLE INSURANCE ENFORCEMENT OPERATING

Title Insurance Enforcement Fund (IC 27-7-3.6-1)

Personal Services	295,858	295,858
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Other Operating Expense	600,894	600,894
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Augmentation allowed.

FOR THE ALCOHOL AND TOBACCO COMMISSION

Enforcement and Administration Fund (IC 7.1-4-10-1)

Personal Services	10,283,193	10,283,193
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Other Operating Expense	1,501,502	1,501,502
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Augmentation allowed.

Five hundred thousand dollars (\$500,000) of the above appropriations is for fraud enforcement of EBT cards in the Temporary Assistance for Needy Families (TANF) and SNAP programs.

ATC SALARY MATRIX ADJUSTMENT

Enforcement and Administration Fund (IC 7.1-4-10-1)

Personal Services	606,318	1,455,164
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The above appropriations are for an adjustment to the ATC salary matrix.

ATC OPEB CONTRIBUTION

Enforcement and Administration Fund (IC 7.1-4-10-1)

Total Operating Expense	438,593	410,537
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Augmentation allowed.

YOUTH TOBACCO EDUCATION AND ENFORCEMENT

Youth Tobacco Education and Enforcement Fund (IC 7.1-6-2-6)

Total Operating Expense	85,704	85,704
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Augmentation allowed.

FOR THE DEPARTMENT OF FINANCIAL INSTITUTIONS

Financial Institutions Fund (IC 28-11-2-9)

Personal Services	6,216,689	6,396,485
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Other Operating Expense	1,922,368	1,783,119
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Augmentation allowed.



	<i>FY 2017-2018</i> <i>Appropriation</i>	<i>FY 2018-2019</i> <i>Appropriation</i>	<i>Biennial</i> <i>Appropriation</i>
FOR THE PROFESSIONAL LICENSING AGENCY			
Personal Services	4,337,172	4,337,172	
Other Operating Expense	447,981	447,981	
CONTROLLED SUBSTANCES DATA FUND (INSPECT)			
Controlled Substances Data Fund (IC 35-48-7-13.1)			
Total Operating Expense	684,273	684,273	
Augmentation allowed.			
PRENEED CONSUMER PROTECTION			
Preneed Consumer Protection Fund (IC 30-2-13-28)			
Total Operating Expense	48,500	48,500	
Augmentation allowed.			
BOARD OF FUNERAL AND CEMETERY SERVICE			
Funeral Service Education Fund (IC 25-15-9-13)			
Total Operating Expense	250	250	
Augmentation allowed.			
DENTAL PROFESSION INVESTIGATION			
Dental Compliance Fund (IC 25-14-1-3.7)			
Total Operating Expense	107,419	107,419	
Augmentation allowed.			
PHYSICIAN INVESTIGATION			
Physician Compliance Fund (IC 25-22.5-2-8)			
Total Operating Expense	8,000	8,000	
Augmentation allowed.			
FOR THE CIVIL RIGHTS COMMISSION			
Personal Services	1,772,203	1,772,203	
Other Operating Expense	4,662	4,662	
<p>The above appropriation for the Indiana civil rights commission reflects only the general fund portion of the total program costs for the processing of employment and housing discrimination complaints. It is the intention of the general assembly that the commission make application to the federal government for funding based upon the processing of employment and housing discrimination complaints.</p>			
WOMEN'S COMMISSION			
Total Operating Expense	98,115	98,115	
COMMISSION ON THE SOCIAL STATUS OF BLACK MALES			
Total Operating Expense	135,431	135,431	
NATIVE AMERICAN INDIAN AFFAIRS COMMISSION			
Total Operating Expense	74,379	74,379	
COMMISSION ON HISPANIC/LATINO AFFAIRS			
Total Operating Expense	102,432	102,432	
MARTIN LUTHER KING JR. HOLIDAY COMMISSION			
Total Operating Expense	19,400	19,400	

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FOR THE UTILITY CONSUMER COUNSELOR

Public Utility Fund (IC 8-1-6-1)

Personal Services	5,740,952	5,740,952
Other Operating Expense	771,825	771,825

Augmentation allowed.

EXPERT WITNESS FEES AND AUDIT

Public Utility Fund (IC 8-1-6-1)

Total Operating Expense	839,678	839,678
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Augmentation allowed.

FOR THE UTILITY REGULATORY COMMISSION

Public Utility Fund (IC 8-1-6-1)

Personal Services	6,629,648	6,629,648
Other Operating Expense	2,777,171	2,777,171

Augmentation allowed.

FOR THE WORKER'S COMPENSATION BOARD

Personal Services	1,831,715	1,831,715
Other Operating Expense	85,471	85,471

FOR THE STATE BOARD OF ANIMAL HEALTH

Personal Services	4,487,710	4,558,754
Other Operating Expense	583,463	583,463

INDEMNITY FUND

Total Operating Expense	80,000	50,000
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Augmentation allowed.

The above appropriations may be used to pay the Board's share of expenses related to bovine tuberculosis testing. The Board may use the above appropriation for FY 2018 to provide retroactive reimbursement for bovine tuberculosis testing expenses incurred in prior years.

MEAT & POULTRY INSPECTION

Total Operating Expense	1,602,306	1,602,306
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PUBLIC HEALTH DATA COMM. INFRASTRUCTURE SYSTEM

Total Operating Expense	9,039	9,039
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INTERSTATE SHIPMENT COOPERATIVE AGREEMENT WITH THE USDA

Total Operating Expense	49,647	49,647
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CAPTIVE CERVIDAE PROGRAMS

Captive Cervidae Programs Fund (IC 15-17-14.7-16)

Total Operating Expense	30,000	30,000
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FOR THE DEPARTMENT OF HOMELAND SECURITY

FIRE AND BUILDING SERVICES

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	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
Fire and Building Services Fund (IC 22-12-6-1)			
Personal Services	13,600,344	13,600,344	
Other Operating Expense	207,176	207,176	
Augmentation allowed.			
REGIONAL PUBLIC SAFETY TRAINING			
Regional Public Safety Training Fund (IC 10-15-3-12)			
Total Operating Expense	1,940,000	1,940,000	
Augmentation allowed.			
RADIOLOGICAL HEALTH			
Total Operating Expense	74,955	74,955	
EMERGENCY MANAGEMENT CONTINGENCY FUND			
Total Operating Expense	114,456	114,456	

The above appropriations for the emergency management contingency fund are made under IC 10-14-3-28.

PUBLIC ASSISTANCE

Total Operating Expense	1	1
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Augmentation allowed.

INDIANA EMERGENCY RESPONSE COMMISSION

 Local Emergency Planning and Right to Know Fund (IC 13-25-2-10.5)

Total Operating Expense	71,407	71,407
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Augmentation allowed.

STATE DISASTER RELIEF FUND

 State Disaster Relief Fund (IC 10-14-4-5)

Total Operating Expense	485,000	485,000
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Augmentation allowed, not to exceed revenues collected from the public safety fee imposed by IC 22-11-14-12.

Augmentation allowed from the general fund to match federal disaster relief funds.

REDUCED IGNITION PROPENSITY STANDARDS FOR CIGARETTES FUND

 Reduced Ignition Propensity Stds.-Cig. Fund (IC 22-14-7-22(a))

Total Operating Expense	31,026	31,026
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Augmentation allowed.

STATEWIDE FIRE AND BUILDING SAFETY EDUCATION FUND

 Statewide Fire & Building Safety Educ. Fund (IC 22-12-6-3)

Total Operating Expense	98,089	98,089
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Augmentation allowed.

INDIANA SECURED SCHOOL FUND

Total Operating Expense	9,000,000	9,000,000
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From the above appropriations, up to \$1,000,000 is for the Department of Education to partner with the Indiana Cybersecurity Center to provide assistance to the department and schools. From the above appropriations, the Department of Homeland Security



shall make \$500,000 available each fiscal year to accredited nonpublic schools who apply for grants for the purchase of security equipment or other security upgrades. The Department shall prioritize grants to nonpublic schools that demonstrate a heightened risk of security threats.

SECTION 5. [EFFECTIVE JULY 1, 2017]

CONSERVATION AND ENVIRONMENT

A. NATURAL RESOURCES

FOR THE DEPARTMENT OF NATURAL RESOURCES - ADMINISTRATION

Personal Services	7,755,083	7,755,083
Other Operating Expense	1,926,025	1,926,025

DNR OPEB CONTRIBUTION

Total Operating Expense	2,335,421	2,309,007
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ENTOMOLOGY AND PLANT PATHOLOGY DIVISION

Personal Services	392,338	392,338
Other Operating Expense	83,645	83,645

ENTOMOLOGY AND PLANT PATHOLOGY FUND

Entomology and Plant Pathology Fund (IC 14-24-10-3)

Total Operating Expense	374,734	374,734
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Augmentation allowed.

DNR ENGINEERING DIVISION

Personal Services	1,677,224	1,677,224
Other Operating Expense	70,711	70,711

HISTORIC PRESERVATION DIVISION

Personal Services	428,466	428,466
Other Operating Expense	266,196	266,196

DIVISION OF HISTORIC PRESERVATION AND ARCHAEOLOGY DEDICATED

Total Operating Expense	26,040	26,040
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WABASH RIVER HERITAGE CORRIDOR

Wabash River Heritage Corridor Fund (IC 14-13-6-23)

Total Operating Expense	187,210	187,210
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OUTDOOR RECREATION DIVISION

Personal Services	478,123	478,123
Other Operating Expense	56,078	56,078

NATURE PRESERVES DIVISION

Personal Services	797,800	797,800
Other Operating Expense	196,880	196,880

WATER DIVISION

Personal Services	4,032,382	4,032,382
Other Operating Expense	775,000	775,000

All revenues accruing from state and local units of government and from private



utilities and industrial concerns as a result of water resources study projects, and as a result of topographic and other mapping projects, shall be deposited into the state general fund, and such receipts are hereby appropriated, in addition to the above appropriations, for water resources studies. The above appropriations include \$200,000 each fiscal year for the monitoring of water resources.

DEER RESEARCH AND MANAGEMENT

Deer Research and Management Fund (IC 14-22-5-2)		
Total Operating Expense	151,813	151,813
Augmentation allowed.		

OIL AND GAS DIVISION

Oil and Gas Fund (IC 6-8-1-27)		
Personal Services	1,263,884	1,263,884
Other Operating Expense	332,192	332,192
Augmentation allowed.		

STATE PARKS AND RESERVOIRS

From the General Fund		
8,921,508	8,921,508	
From the State Parks and Reservoirs Special Revenue Fund (IC 14-19-8-2)		
29,359,893	29,359,893	
Augmentation allowed from the State Parks and Reservoirs Special Revenue Fund.		

The amounts specified from the General Fund and the State Parks and Reservoirs Special Revenue Fund are for the following purposes:

Personal Services	28,532,879	28,532,879
Other Operating Expense	9,748,522	9,748,522

SNOWMOBILE FUND

Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)		
Total Operating Expense	154,928	154,928
Augmentation allowed.		

DNR LAW ENFORCEMENT DIVISION

From the General Fund		
9,956,425	9,956,425	
From the Fish and Wildlife Fund (IC 14-22-3-2)		
10,831,730	10,831,730	
Augmentation allowed from the Fish and Wildlife Fund.		

The amounts specified from the General Fund and the Fish and Wildlife Fund are for the following purposes:

Personal Services	18,019,655	18,019,655
Other Operating Expense	2,768,500	2,768,500



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
DNR SALARY MATRIX ADJUSTMENT			
Personal Services	1,490,922	3,578,212	

The above appropriations are for an adjustment to the DNR salary matrix.

SPORTSMEN'S BENEVOLENCE			
Total Operating Expense	145,500	145,500	
FISH AND WILDLIFE DIVISION			
Fish and Wildlife Fund (IC 14-22-3-2)			
Personal Services	4,126,639	4,126,639	
Other Operating Expense	5,356,565	5,356,565	
Augmentation allowed.			
FORESTRY DIVISION			
From the General Fund			
4,309,473	4,309,473		
From the State Forestry Fund (IC 14-23-3-2)			
6,002,212	6,002,212		
Augmentation allowed from the State Forestry Fund.			

The amounts specified from the General Fund and the State Forestry Fund are for the following purposes:

Personal Services	7,928,960	7,928,960
Other Operating Expense	2,382,725	2,382,725

In addition to any of the above appropriations for the department of natural resources, any federal funds received by the state of Indiana for support of approved outdoor recreation projects for planning, acquisition, and development under the provisions of the federal Land and Water Conservation Fund Act, P.L.88-578, are appropriated for the uses and purposes for which the funds were paid to the state, and shall be distributed by the department of natural resources to state agencies and other governmental units in accordance with the provisions under which the funds were received.

DEPT. OF NATURAL RESOURCES - US DEPT. OF COMMERCE			
Cigarette Tax Fund (IC 6-7-1-28.1)			
Total Operating Expense	117,313	117,313	
Augmentation allowed.			
LAKE AND RIVER ENHANCEMENT			
Lake and River Enhancement Fund (IC 6-6-11-12.5)			
Total Operating Expense	2,078,288	2,078,288	
Augmentation allowed.			
HERITAGE TRUST			
General Fund			
Total Operating Expense	94,090	94,090	

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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Benjamin Harrison Conservation Trust Fund (IC 14-12-2-25)			
Total Operating Expense	1,164,000	1,164,000	
Augmentation allowed.			
DEPT. OF NATURAL RESOURCES - USDOT			
Off-Road Vehicle and Snowmobile Fund (IC 14-16-1-30)			
Total Operating Expense	55,000	55,000	
Augmentation allowed.			
INSTITUTIONAL ROAD CONSTRUCTION			
State Highway Fund (IC 8-23-9-54)			
Total Operating Expense	2,425,000	2,425,000	

The above appropriation for institutional road construction may be used for road and bridge construction, relocation, and other related improvement projects at state owned properties managed by the department of natural resources.

B. OTHER NATURAL RESOURCES

FOR THE INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION

General Fund

Total Operating Expense	8,369,488	8,369,488	
Indiana State Museum and Historic Sites Corp.			
Total Operating Expense	2,632,555	2,632,555	

In lieu of billing the University of Southern Indiana annually for the maintenance of properties in New Harmony, the above appropriation includes an additional \$25,000 annually for that purpose.

FOR THE WORLD WAR MEMORIAL COMMISSION

Personal Services	813,482	813,482	
Other Operating Expense	367,000	367,000	

All revenues received as rent for space in the buildings located at 777 North Meridian Street and 700 North Pennsylvania Street, in the city of Indianapolis, that exceed the costs of operation and maintenance of the space rented, shall be paid into the general fund.

FOR THE WHITE RIVER STATE PARK DEVELOPMENT COMMISSION

Total Operating Expense	766,312	766,312	
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FOR THE MAUMEE RIVER BASIN COMMISSION

Total Operating Expense	105,000	105,000	
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FOR THE ST. JOSEPH RIVER BASIN COMMISSION

Total Operating Expense	54,110	54,110	
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FOR THE KANKAKEE RIVER BASIN COMMISSION

Total Operating Expense	54,110	54,110
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C. ENVIRONMENTAL MANAGEMENT

FOR THE DEPARTMENT OF ENVIRONMENTAL MANAGEMENT

OPERATING

From the General Fund

13,646,133	13,646,133
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From the Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

1,152,795	1,152,795
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Augmentation allowed.

The amounts specified from the General Fund and the underground petroleum storage tank excess liability trust fund are for the following purposes:

Personal Services	10,938,248	10,938,248
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Other Operating Expense	3,860,680	3,860,680
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IDEM LABORATORY CONTRACTS

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	1,056,994	1,056,994
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Augmentation allowed.

OHIO RIVER VALLEY WATER SANITATION COMMISSION

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	282,600	282,600
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Augmentation allowed.

OFFICE OF ENVIRONMENTAL RESPONSE

Personal Services	2,398,491	2,398,491
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Other Operating Expense	263,310	263,310
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POLLUTION PREVENTION AND TECHNICAL ASSISTANCE

Personal Services	787,567	787,567
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Other Operating Expense	94,741	94,741
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PPG PCB INSPECTION

Environmental Management Permit Operation Fund (IC 13-15-11-1)

Total Operating Expense	19,822	19,822
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Augmentation allowed.

U.S. GEOLOGICAL SURVEY CONTRACTS

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	51,503	51,503
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Augmentation allowed.

STATE SOLID WASTE GRANTS MANAGEMENT

State Solid Waste Management Fund (IC 13-20-22-2)

Personal Services	93,715	93,715
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Other Operating Expense	313,354	313,354
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Augmentation allowed.



RECYCLING OPERATING

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Personal Services	487,616	487,616
Other Operating Expense	227,350	227,350

Augmentation allowed.

RECYCLING PROMOTION AND ASSISTANCE PROGRAM

Indiana Recycling Promotion and Assistance Fund (IC 4-23-5.5-14)

Total Operating Expense	1,000,000	1,000,000
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Augmentation allowed.

VOLUNTARY CLEAN-UP PROGRAM

Voluntary Remediation Fund (IC 13-25-5-21)

Personal Services	1,028,162	1,028,162
Other Operating Expense	58,880	58,880

Augmentation allowed.

TITLE V AIR PERMIT PROGRAM

Title V Operating Permit Program Trust Fund (IC 13-17-8-1)

Personal Services	11,524,403	11,524,403
Other Operating Expense	1,328,419	1,328,419

Augmentation allowed.

WATER MANAGEMENT PERMITTING

Environmental Management Permit Operation Fund (IC 13-15-11-1)

Personal Services	6,462,158	6,462,158
Other Operating Expense	379,297	379,297

Augmentation allowed.

SOLID WASTE MANAGEMENT PERMITTING

Environmental Management Permit Operation Fund (IC 13-15-11-1)

Personal Services	4,908,924	4,908,924
Other Operating Expense	393,266	393,266

Augmentation allowed.

CFO/CAFO INSPECTIONS

Total Operating Expense	318,424	318,424
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HAZARDOUS WASTE MANAGEMENT PERMITTING - FEDERAL

Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

Total Operating Expense	1,247,383	1,247,383
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HAZARDOUS WASTE MANAGEMENT PERMITTING

Environmental Management Permit Operation Fund (IC 13-15-11-1)

Personal Services	2,987,999	2,987,999
Other Operating Expense	314,491	314,491

Augmentation allowed.

ELECTRONIC WASTE

Electronic Waste Fund (IC 13-20.5-2-3)

Total Operating Expense	123,537	123,537
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SAFE DRINKING WATER PROGRAM

State Solid Waste Management Fund (IC 13-20-22-2)

Total Operating Expense	2,942,579	2,942,579
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	<i>FY 2017-2018</i>	<i>FY 2018-2019</i>	<i>Biennial</i>
	<i>Appropriation</i>	<i>Appropriation</i>	<i>Appropriation</i>
CLEAN VESSEL PUMPOUT			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	31,549	31,549	
Augmentation allowed.			
GROUNDWATER PROGRAM			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	432,091	432,091	
Augmentation allowed.			
UNDERGROUND STORAGE TANK PROGRAM			
Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)			
Total Operating Expense	178,198	178,198	
Augmentation allowed.			
AIR MANAGEMENT OPERATING			
Environmental Management Special Fund (IC 13-14-12-1)			
Total Operating Expense	976,272	976,272	
Augmentation allowed.			
WATER MANAGEMENT NONPERMITTING			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Total Operating Expense	1,549,417	1,549,417	
LEAKING UNDERGROUND STORAGE TANKS			
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)			
Total Operating Expense	161,334	161,334	
Augmentation allowed.			
AUTO EMISSIONS TESTING PROGRAM			
Personal Services	75,287	75,287	
Other Operating Expense	5,297,619	5,297,619	

The above appropriations for auto emissions testing are the maximum amounts available for this purpose. If it becomes necessary to conduct additional tests in other locations, the above appropriations shall be prorated among all locations.

HAZARDOUS WASTE SITES - STATE CLEAN-UP			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	2,435,371	2,435,371	
Other Operating Expense	1,139,885	1,139,885	
Augmentation allowed.			
HAZARDOUS WASTE - NATURAL RESOURCE DAMAGES			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Personal Services	165,567	165,567	
Other Operating Expense	119,482	119,482	
Augmentation allowed.			
SUPERFUND MATCH			
Hazardous Substances Response Trust Fund (IC 13-25-4-1)			
Total Operating Expense	1,657,551	1,757,551	
Augmentation allowed.			

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The above appropriation includes \$700,000 for fiscal year 2018 and \$800,000 for fiscal year 2019 for the department of environmental management to match federal funds for lead clean up in East Chicago.

ASBESTOS TRUST - OPERATING

Asbestos Trust Fund (IC 13-17-6-3)

Personal Services	388,047	388,047
Other Operating Expense	45,498	45,498

Augmentation allowed.

UNDERGROUND PETROLEUM STORAGE TANK - OPERATING

Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)

Personal Services	4,850,137	4,850,137
Other Operating Expense	39,101,300	39,101,300

Augmentation allowed.

WASTE TIRE MANAGEMENT

Waste Tire Management Fund (IC 13-20-13-8)

Total Operating Expense	548,783	548,783
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Augmentation allowed.

VOLUNTARY COMPLIANCE

Environmental Management Special Fund (IC 13-14-12-1)

Personal Services	690,198	690,198
Other Operating Expense	40,548	40,548

Augmentation allowed.

ENVIRONMENTAL MANAGEMENT SPECIAL FUND - OPERATING

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	608,626	608,626
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Augmentation allowed.

CORE SUPERFUND

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	12,500	12,500
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Augmentation allowed.

WETLANDS PROTECTION

Environmental Management Special Fund (IC 13-14-12-1)

Total Operating Expense	20,419	20,419
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Augmentation allowed.

PETROLEUM TRUST - OPERATING

Underground Petroleum Storage Tank Trust Fund (IC 13-23-6-1)

Other Operating Expense	1,000,000	1,000,000
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Augmentation allowed.

Notwithstanding any other law, with the approval of the governor and the budget agency, the above appropriations for hazardous waste management permitting, wetlands protection, groundwater program, underground storage tank program, air management operating, asbestos trust operating, water management nonpermitting,



safe drinking water program, and any other appropriation eligible to be included in a performance partnership grant may be used to fund activities incorporated into a performance partnership grant between the United States Environmental Protection Agency and the department of environmental management.

FOR THE OFFICE OF ENVIRONMENTAL ADJUDICATION

Personal Services	281,537	281,537
Other Operating Expense	22,906	22,906

SECTION 6. [EFFECTIVE JULY 1, 2017]

ECONOMIC DEVELOPMENT

A. AGRICULTURE

FOR THE DEPARTMENT OF AGRICULTURE

Personal Services	1,327,382	1,327,382
Other Operating Expense	905,767	905,767

Up to \$5,000 annually of the above appropriations may be used for Hoosier Homestead plaques for recipients of the Hoosier Homestead award.

DISTRIBUTIONS TO FOOD BANKS

Total Operating Expense	300,000	300,000
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CLEAN WATER INDIANA

General Fund

Total Operating Expense	1,000,000	1,000,000
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Cigarette Tax Fund (IC 6-7-1-28.1)

Total Operating Expense	2,923,775	2,923,775
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SOIL CONSERVATION DIVISION

Cigarette Tax Fund (IC 6-7-1-28.1)

Total Operating Expense	1,378,144	1,378,144
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Augmentation allowed.

GRAIN BUYERS AND WAREHOUSE LICENSING

Grain Buyers and Warehouse Licensing Agency License Fee Fund (IC 26-3-7-6.3)

Total Operating Expense	364,755	364,755
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Augmentation allowed.

B. COMMERCE

FOR THE LIEUTENANT GOVERNOR

OFFICE OF TOURISM DEVELOPMENT

Total Operating Expense	4,175,000	4,175,000
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The above appropriation includes \$500,000 annually to assist the department of natural



resources with marketing efforts.

Of the above appropriations, the office of tourism development shall distribute \$550,000 each year to the Indiana sports corporation to promote the hosting of amateur sporting events in Indiana cities. Funds may be released after review by the budget committee.

The office may retain any advertising revenue generated by the office. Any revenue received is in addition to the above appropriation and is appropriated for the purposes of the office.

The above appropriation includes \$75,000 each state fiscal year for the Grissom Air Museum and \$50,000 for the Studebaker Museum. The Studebaker Museum distribution requires a \$50,000 match.

LOCAL MARKETING TOURISM PROGRAM

Total Operating Expense	1,000,000	1,000,000
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The above appropriation shall be used for local marketing tourism efforts in conjunction with the office of tourism development.

MARKETING DEVELOPMENT GRANTS

Total Operating Expense	1,000,000	1,000,000
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Of the above appropriation, up to \$500,000 each year shall be used to match other funds from the Association of Indiana Convention and Visitors Bureaus or any other organizations for purposes of statewide tourism marketing, and up to \$500,000 each year may be used to pay costs associated with hosting the national convention for FFA.

INDIANA TOURISM TASK FORCE (IC 5-29-5)

Total Operating Expense	100,000	0
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OFFICE OF DEFENSE DEVELOPMENT

Total Operating Expense	628,060	628,060
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OFFICE OF COMMUNITY AND RURAL AFFAIRS

Total Operating Expense	1,470,000	1,470,000
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HISTORIC PRESERVATION GRANTS

Total Operating Expense	1,000,000	1,000,000
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RURAL ECONOMIC DEVELOPMENT FUND

Total Operating Expense	600,000	600,000
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LINCOLN PRODUCTION

Total Operating Expense	200,000	200,000
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INDIANA GROWN

Total Operating Expense	250,000	250,000
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FOR THE OFFICE OF ENERGY DEVELOPMENT

Total Operating Expense	177,510	177,510
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**FOR THE INDIANA ECONOMIC DEVELOPMENT CORPORATION
ADMINISTRATIVE AND FINANCIAL SERVICES**

General Fund

Total Operating Expense	6,521,695	6,521,695
Training 2000 Fund (IC 5-28-7-5)		
Total Operating Expense	180,061	180,061
Industrial Development Grant Fund (IC 5-28-25-4)		
Total Operating Expense	50,570	50,570

IN 21ST CENTURY RESEARCH & TECHNOLOGY FUND

General Fund

Total Operating Expense	10,000,000	10,000,000
Department of Insurance Fund (IC 27-1-3-28)		
Total Operating Expense	10,000,000	10,000,000
Indiana Twenty-First Century Research and Technology Fund (IC 5-28-16-2)		
Total Operating Expense	10,000,000	10,000,000
Augmentation allowed from the Indiana Twenty-First Century Research and Technology Fund.		

OFFICE OF SMALL BUSINESS AND ENTREPRENEURSHIP

Total Operating Expense	1,458,000	1,458,000
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One million dollars (\$1,000,000) of the above appropriations is for the Launch IN Initiative and the Ball State University Entrepreneur College. Ball State University will provide support and expertise for the program to be implemented for a fee. The office of small business and entrepreneurship shall provide funding to initiatives throughout Indiana. The Indiana Economic Development Corporation shall submit annual reports to the state budget committee on the uses of the above appropriations.

BUSINESS PROMOTION AND INNOVATION

Total Operating Expense	15,000,000	15,000,000
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The above appropriations may be used by the Indiana Economic Development Corporation to promote business investment and encourage entrepreneurship and innovation. The Corporation may use the above appropriations to encourage regional development initiatives, including a project to establish a new port, incentivize direct flights from international and regional airports in Indiana, advance innovation and entrepreneurship education, programs, and practice through strategic partnerships with higher education and communities in Indiana, and support activities that promote international trade.

INDIANA BIOSCIENCES RESEARCH INSTITUTE

Total Operating Expense	0	20,000,000
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The Indiana Economic Development Corporation Board must approve each award made



from the above appropriation. No awards may be disbursed until a comprehensive plan for expending the funds has been reviewed by the state budget committee and approved by the director of the Office of Management and Budget. The Indiana Economic Development Corporation shall submit semi-annual reports to the state budget committee on award amounts and activities of the Indiana Biosciences Research Institute.

ENTERPRISE ZONE PROGRAM		
Enterprise Zone Fund (IC 5-28-15-6)		
Total Operating Expense	79,977	79,977
Augmentation allowed.		
SKILLS ENHANCEMENT FUND		
Total Operating Expense	12,500,000	12,500,000
INDUSTRIAL DEVELOPMENT GRANT PROGRAM		
Total Operating Expense	5,000,000	5,000,000
ECONOMIC DEVELOPMENT GRANT AND LOAN PROGRAM		
Total Operating Expense	1,148,992	1,148,992
FOR THE HOUSING AND COMMUNITY DEVELOPMENT AUTHORITY		
211 SERVICES (IC 8-1-19.5)		
Total Operating Expense	1,000,000	1,000,000
HOUSING FIRST PROGRAM		
Total Operating Expense	1,000,000	1,000,000
INDIANA INDIVIDUAL DEVELOPMENT ACCOUNTS		
Total Operating Expense	970,000	970,000

The housing and community development authority shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources shall apply all qualifying expenditures for individual development account deposits toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

FOR THE INDIANA FINANCE AUTHORITY		
ENVIRONMENTAL REMEDIATION REVOLVING LOAN PROGRAM		
Underground Petroleum Storage Tank Excess Liability Trust Fund (IC 13-23-7-1)		
Total Operating Expense	1,500,000	1,500,000

C. EMPLOYMENT SERVICES

FOR THE DEPARTMENT OF WORKFORCE DEVELOPMENT		
ADMINISTRATION		
Total Operating Expense	1,339,665	1,339,665
WORK INDIANA PROGRAM		



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	5,000,000	5,000,000	
HOOSIER INITIATIVE FOR RE-ENTRY (HIRE)			
Total Operating Expense	648,742	648,742	
PROPRIETARY EDUCATIONAL INSTITUTIONS			
Total Operating Expense	62,639	62,639	
CAREER AND TECHNICAL EDUCATION INNOVATION AND ADVANCEMENT			
Total Operating Expense	21,365,000	21,365,000	

The above appropriations shall be used for investments in career and technical education pathways or statewide career and technical education and workforce development initiatives focused on high-wage and high-demand jobs. Up to \$5,000,000 of the above appropriation shall be used annually to fund Career and Technical Education performance grants.

INDIANA WORKS COUNCILS			
Total Operating Expense	200,000	0	
INDIANA CONSTRUCTION ROUNDTABLE FOUNDATION			
Total Operating Expense	1,000,000	1,000,000	
SERVE INDIANA ADMINISTRATION			
Total Operating Expense	239,560	239,560	
SPECIAL VOCATIONAL EDUCATION - ADULT BASIC EDUCATION			
Total Operating Expense	14,452,990	14,452,990	

It is the intent of the 2017 general assembly that the above appropriations for adult education shall be the total allowable state expenditure for such program. Therefore, if the expected disbursements are anticipated to exceed the total appropriation for a state fiscal year, the department of workforce development shall reduce the distributions proportionately.

DROPOUT PREVENTION			
Total Operating Expense	8,000,000	8,000,000	

D. OTHER ECONOMIC DEVELOPMENT

FOR THE INDIANA STATE FAIR BOARD STATE FAIR			
Total Operating Expense	2,582,000	2,582,000	

SECTION 7. [EFFECTIVE JULY 1, 2017]

TRANSPORTATION

FOR THE DEPARTMENT OF TRANSPORTATION RAILROAD GRADE CROSSING IMPROVEMENT Motor Vehicle Highway Account (IC 8-14-1)			
Total Operating Expense	750,000	750,000	

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HIGH SPEED RAIL

Industrial Rail Service Fund (IC 8-3-1.7-2)			
Matching Funds	20,000	20,000	
Augmentation allowed.			
HOOSIER STATE RAIL LINE			
Total Operating Expense	3,000,000	3,000,000	
PUBLIC MASS TRANSPORTATION			
Total Operating Expense	44,000,000	45,000,000	

The appropriations are to be used solely for the promotion and development of public transportation.

The department of transportation may distribute public mass transportation funds to an eligible grantee that provides public transportation in Indiana.

The state funds can be used to match federal funds available under the Federal Transit Act (49 U.S.C. 5301 et seq.) or local funds from a requesting grantee.

Before funds may be disbursed to a grantee, the grantee must submit its request for financial assistance to the department of transportation for approval. Allocations must be approved by the governor and the budget agency after review by the budget committee and shall be made on a reimbursement basis. Only applications for capital and operating assistance may be approved. Only those grantees that have met the reporting requirements under IC 8-23-3 are eligible for assistance under this appropriation.

HIGHWAY OPERATING

State Highway Fund (IC 8-23-9-54)			
Personal Services	245,131,480	245,131,480	
Other Operating Expense	45,205,525	45,205,525	

HIGHWAY VEHICLE AND ROAD MAINTENANCE EQUIPMENT

State Highway Fund (IC 8-23-9-54)			
Other Operating Expense	20,300,000	20,300,000	

The above appropriations for highway operating and highway vehicle and road maintenance equipment may be used for personal services, equipment, and other operating expense, including the cost of transportation for the governor.

HIGHWAY MAINTENANCE WORK PROGRAM

State Highway Fund (IC 8-23-9-54)			
Other Operating Expense	87,186,474	89,020,203	

The above appropriations for the highway maintenance work program may be used for:
(1) materials for patching roadways and shoulders;



- (2) repairing and painting bridges;
- (3) installing signs and signals and painting roadways for traffic control;
- (4) mowing, herbicide application, and brush control;
- (5) drainage control;
- (6) maintenance of rest areas, public roads on properties of the department of natural resources, and driveways on the premises of all state facilities;
- (7) materials for snow and ice removal;
- (8) utility costs for roadway lighting; and
- (9) other special maintenance and support activities consistent with the highway maintenance work program.

HIGHWAY CAPITAL IMPROVEMENTS

State Highway Fund (IC 8-23-9-54)

Right-of-Way Expense	8,322,040	8,980,050
Formal Contracts Expense	454,633,947	540,200,759
Consulting Services Expense	51,881,974	58,749,968
Institutional Road Construction	2,500,000	2,500,000

Augmentation allowed for the highway capital improvements program.

The above appropriations for the capital improvements program may be used for:

- (1) bridge rehabilitation and replacement;
- (2) road construction, reconstruction, or replacement;
- (3) construction, reconstruction, or replacement of travel lanes, intersections, grade separations, rest parks, and weigh stations;
- (4) relocation and modernization of existing roads;
- (5) resurfacing;
- (6) erosion and slide control;
- (7) construction and improvement of railroad grade crossings, including the use of the appropriations to match federal funds for projects;
- (8) small structure replacements;
- (9) safety and spot improvements; and
- (10) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

The above appropriation for institutional road construction may be used for road, bridge, and parking lot construction, maintenance, and improvement projects at any state-owned property.

No appropriation from the state highway fund may be used to fund any toll road or toll bridge project except as specifically provided for under IC 8-15-2-20.

HIGHWAY PLANNING AND RESEARCH PROGRAM

State Highway Fund (IC 8-23-9-54)

Total Operating Expense	4,400,000	4,444,000
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STATE HIGHWAY ROAD CONSTRUCTION AND IMPROVEMENT PROGRAM

State Highway Road Construction and Improvement Fund (IC 8-14-10-5)

Lease Rental Payments Expense	70,000,000	70,000,000
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Augmentation allowed.

The above appropriations for the state highway road construction and improvement program shall be first used for payment of rentals and leases relating to projects under IC 8-14.5. If any funds remain, the funds may be used for the following purposes:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

CROSSROADS 2000 PROGRAM

State Highway Fund (IC 8-23-9-54)

Lease Rental Payment Expense	6,497,743	28,188
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Augmentation allowed.

Crossroads 2000 Fund (IC 8-14-10-9)

Lease Rental Payment Expense	36,000,000	36,100,000
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Augmentation allowed.

The above appropriations for the crossroads 2000 program shall be first used for payment of rentals and leases relating to projects under IC 8-14-10-9. If any funds remain, the funds may be used for the following purposes:

- (1) road and bridge construction, reconstruction, or replacement;
- (2) construction, reconstruction, or replacement of travel lanes, intersections, and grade separations;
- (3) relocation and modernization of existing roads; and
- (4) right-of-way, relocation, and engineering and consulting expenses associated with any of the above types of projects.

JOINT MAJOR MOVES CONSTRUCTION

State Highway Fund (IC 8-23-9-54)

Formal Contracts Expense	75,000,000	25,000,000
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Augmentation allowed.

FEDERAL APPORTIONMENT

Right-of-Way Expense	21,648,000	20,500,000
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Formal Contracts Expense	628,534,000	655,694,000
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Consulting Engineers Expense	73,718,000	63,550,000
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Highway Planning and Research	17,600,000	17,776,000
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Local Government Revolving Acct.	246,900,000	252,500,000
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The department may establish an account to be known as the "local government revolving



account". The account is to be used to administer the federal-local highway construction program. All contracts issued and all funds received for federal-local projects under this program shall be entered into this account.

If the federal apportionments for the fiscal years covered by this act exceed the above estimated appropriations for the department or for local governments, the excess federal apportionment is hereby appropriated for use by the department with the approval of the governor and the budget agency.

The department shall bill, in a timely manner, the federal government for all department payments that are eligible for total or partial reimbursement.

The department may let contracts and enter into agreements for construction and preliminary engineering during each year of the 2017-2019 biennium that obligate not more than one-third (1/3) of the amount of state funds estimated by the department to be available for appropriation in the following year for formal contracts and consulting engineers for the capital improvements program.

Under IC 8-23-5-7(a), the department, with the approval of the governor, may construct and maintain roadside parks and highways where highways will connect any state highway now existing, or hereafter constructed, with any state park, state forest preserve, state game preserve, or the grounds of any state institution. There is appropriated to the department of transportation an amount sufficient to carry out the provisions of this paragraph. Under IC 8-23-5-7(d), such appropriations shall be made from the motor vehicle highway account before distribution to local units of government.

LOCAL TECHNICAL ASSISTANCE AND RESEARCH

Under IC 8-14-1-3(6), there is appropriated to the department of transportation an amount sufficient for:

- (1) the program of technical assistance under IC 8-23-2-5(a)(6); and
- (2) the research and highway extension program conducted for local government under IC 8-17-7-4.

The department shall develop an annual program of work for research and extension in cooperation with those units being served, listing the types of research and educational programs to be undertaken. The commissioner of the department of transportation may make a grant under this appropriation to the institution or agency selected to conduct the annual work program. Under IC 8-14-1-3(6), appropriations for the program of technical assistance and for the program of research and extension shall be taken from the local share of the motor vehicle highway account.

Under IC 8-14-1-3(7), there is hereby appropriated such sums as are necessary to maintain a sufficient working balance in accounts established to match federal and local money for highway projects. These funds are appropriated from the following



sources in the proportion specified:

(1) one-half (1/2) from the forty-seven percent (47%) set aside of the motor vehicle highway account under IC 8-14-1-3(7); and

(2) for counties and for those cities and towns with a population greater than five thousand (5,000), one-half (1/2) from the distressed road fund under IC 8-14-8-2.

OHIO RIVER BRIDGE

State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	25,740,000	34,000,000
I-69		
State Highway Fund (IC 8-23-9-54)		
Total Operating Expense	2,556,000	3,942,000

SECTION 8. [EFFECTIVE JULY 1, 2017]

FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

A. FAMILY AND SOCIAL SERVICES

FOR THE FAMILY AND SOCIAL SERVICES ADMINISTRATION

INDIANA PRESCRIPTION DRUG PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	617,830	617,830

CHILDREN'S HEALTH INSURANCE PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	693,500	693,500

Augmentation allowed.

CHILDREN'S HEALTH INSURANCE PROGRAM - ADMINISTRATION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	1,557,784	1,557,784

FAMILY AND SOCIAL SERVICES ADMINISTRATION - CENTRAL OFFICE

Total Operating Expense	16,377,158	16,377,158
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SOCIAL SERVICES DATA WAREHOUSE

Total Operating Expense	200,000	200,000
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OFFICE OF MEDICAID POLICY AND PLANNING - ADMINISTRATION

Total Operating Expense	750,000	750,000
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MEDICAID ADMINISTRATION

Total Operating Expense	44,643,897	44,643,897
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MEDICAID - CURRENT OBLIGATIONS

General Fund

Total Operating Expense	1,980,600,000	2,238,500,000
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	6,000,000	6,000,000



In addition to the above appropriation for state fiscal year 2018, the office of Medicaid policy and planning shall carry forward \$127,700,000 of unexpended Medicaid appropriations remaining in the Medicaid account from prior state fiscal years. Such amount is hereby appropriated for expenditure in state fiscal year 2018 for the purposes of the Medicaid program and is in addition to the amount appropriated above. Of the above appropriations, \$500,000 each fiscal year shall be used by the office of Medicaid policy and planning to increase reimbursement rates for Indiana-based nonprofit organizations that (1) were in operation prior to January 1, 2009, (2) currently offer facility-based day services programs for the developmentally disabled, and (3) do not own, operate, or manage supervised group living facilities.

The above appropriations for Medicaid current obligations and for Medicaid administration are for the purpose of enabling the office of Medicaid policy and planning to carry out all services as provided in IC 12-8-6.5. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the office of Medicaid policy and planning for the respective purposes for which the money was allocated and paid to the state. Subject to the provisions of IC 12-8-1.5-11, if the sums herein appropriated for Medicaid current obligations and for Medicaid administration are insufficient to enable the office of Medicaid policy and planning to meet its obligations, then there is appropriated from the general fund such further sums as may be necessary for that purpose, subject to the approval of the governor and the budget agency.

HEALTHY IN PLAN

Healthy IN Plan Trust Fund (IC 12-15-44.2-17)

Total Operating Expense	112,654,073	112,654,073
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Augmentation allowed.

HOSPITAL CARE FOR THE INDIGENT FUND

Total Operating Expense	29,500,000	29,500,000
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MEDICAL ASSISTANCE TO WARDS (MAW)

Total Operating Expense	13,100,000	13,100,000
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MARION COUNTY HEALTH AND HOSPITAL CORPORATION

Total Operating Expense	38,000,000	38,000,000
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MENTAL HEALTH ADMINISTRATION

Total Operating Expense	2,883,186	2,883,186
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Two hundred seventy-five thousand dollars (\$275,000) of the above appropriation shall be distributed annually to neighborhood based community service programs.

MENTAL HEALTH AND ADDICTION FORENSIC TREATMENT SERVICES GRANT

Total Operating Expense	20,000,000	20,000,000
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The above appropriations for the mental health and addiction forensic treatment



services grant program are not subject to transfer to any other fund or to transfer, assignment, or reassignment for any other use or purpose by the state board of finance notwithstanding IC 4-9.1-1-7 and IC 4-13-2-23 or by the budget agency notwithstanding IC 4-12-1-12 or any other law.

Notwithstanding IC 4-13-2-19 and any other law, the above appropriations for the mental health and addiction forensic treatment services grant program do not revert to the general fund or another fund at the close of a state fiscal year but remain available in subsequent state fiscal years for the purposes of the grant program.

The appropriations are not subject to having allotment withheld by the state budget agency.

CHILD PSYCHIATRIC SERVICES FUND

Total Operating Expense	17,404,722	18,404,722
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The above appropriation includes \$2,500,000 in FY 2018 and \$3,500,000 in FY 2019 for the Family and Social Services Administration to maintain an evidence-based program model that partners with elementary and high schools to provide social services to children, parents, caregivers, teachers, and the community to prevent substance abuse, promote healthy behaviors, and maximize student success. In making grant awards in FY 2018 and FY 2019, the Family and Social Services Administration shall consider the applicant’s experience in providing similar services and the results of any independent evaluation of those services.

CHILD ASSESSMENT NEEDS SURVEY

Total Operating Expense	260,000	260,000
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SERIOUSLY EMOTIONALLY DISTURBED

Total Operating Expense	14,571,352	14,571,352
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SERIOUSLY MENTALLY ILL

General Fund

Total Operating Expense	92,602,551	92,602,551
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Mental Health Centers Fund (IC 6-7-1-32.1)

Total Operating Expense	2,600,000	2,600,000
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Augmentation allowed.

COMMUNITY MENTAL HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	7,200,000	7,200,000
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The above appropriation from the Tobacco Master Settlement Agreement Fund is in addition to other funds. The above appropriations for comprehensive community mental health services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid rehabilitation option.

The comprehensive community mental health centers shall submit their proposed annual



budgets (including income and operating statements) to the budget agency on or before August 1 of each year. All federal funds shall be applied in augmentation of the above appropriations rather than in place of any part of the funds. The office of the secretary, with the approval of the budget agency, shall determine an equitable allocation of the appropriation among the mental health centers.

GAMBLERS' ASSISTANCE

Addiction Services Fund (IC 12-23-2)

Total Operating Expense	3,041,728	3,041,728
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SUBSTANCE ABUSE TREATMENT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	5,355,820	5,355,820
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QUALITY ASSURANCE/RESEARCH

Total Operating Expense	475,954	475,954
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PREVENTION

Addiction Services Fund (IC 12-23-2)

Total Operating Expense	2,572,675	2,572,675
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Augmentation allowed.

METHADONE DIVERSION CONTROL AND OVERSIGHT (MDCO) PROGRAM

Opioid Treatment Program Fund (IC 12-23-18-4)

Total Operating Expense	380,566	380,566
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Augmentation allowed.

DMHA YOUTH TOBACCO REDUCTION SUPPORT PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	250,000	250,000
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Augmentation allowed.

EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER

From the General Fund

775,517	775,517
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From the Mental Health Fund (IC 12-24-14-4)

2,933,345	2,933,345
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	3,236,797	3,236,797
Other Operating Expense	472,065	472,065

EVANSVILLE STATE HOSPITAL

From the General Fund

22,018,659	22,018,659
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From the Mental Health Fund (IC 12-24-14-4)

5,180,386	5,180,386
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Augmentation allowed.



The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	19,732,264	19,732,264
Other Operating Expense	7,466,781	7,466,781

LARUE CARTER MEMORIAL HOSPITAL

From the General Fund

18,500,766	6,716,120
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From the Mental Health Fund (IC 12-24-14-4)

9,008,594	3,269,602
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	19,573,678	6,763,808
Other Operating Expense	7,935,682	3,221,914

LOGANSPOUT STATE HOSPITAL

From the General Fund

28,662,340	28,662,340
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From the Mental Health Fund (IC 12-24-14-4)

3,668,784	3,668,784
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	26,080,124	26,080,124
Other Operating Expense	6,251,000	6,251,000

MADISON STATE HOSPITAL

From the General Fund

23,239,646	23,239,646
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From the Mental Health Fund (IC 12-24-14-4)

4,505,252	4,505,252
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Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	22,788,533	22,788,533
Other Operating Expense	4,956,365	4,956,365



RICHMOND STATE HOSPITAL

From the General Fund

29,158,483 29,158,483

From the Mental Health Fund (IC 12-24-14-4)

5,539,492 5,539,492

Augmentation allowed.

The amounts specified from the general fund and the mental health fund are for the following purposes:

Personal Services	26,363,226	26,363,226
Other Operating Expense	8,334,749	8,334,749

NEURO DIAGNOSTIC INSTITUTE

General Fund

Total Operating Expense	0	15,561,478
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Mental Health Fund (IC 12-24-14-4)

Total Operating Expense	0	8,276,570
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Augmentation allowed.

PATIENT PAYROLL

Total Operating Expense	257,206	257,206
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The federal share of revenue accruing to the state mental health institutions under IC 12-15, based on the applicable Federal Medical Assistance Percentage (FMAP), shall be deposited in the mental health fund established by IC 12-24-14, and the remainder shall be deposited in the general fund.

DIVISION OF FAMILY RESOURCES ADMINISTRATION

Personal Services	493,813	493,813
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Other Operating Expense	2,428,219	2,428,219
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EBT ADMINISTRATION

Total Operating Expense	1,070,984	1,070,984
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DFR - COUNTY ADMINISTRATION

Total Operating Expense	90,130,109	90,130,109
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INDIANA ELIGIBILITY SYSTEM

Total Operating Expense	8,500,078	8,500,078
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IMPACT PROGRAM

Total Operating Expense	3,016,154	3,016,154
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TEMPORARY ASSISTANCE FOR NEEDY FAMILIES (TANF)

Total Operating Expense	21,086,301	21,086,301
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SNAP ADMINISTRATION

Total Operating Expense	4,339,572	4,339,572
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The above appropriations for information systems/technology, education and training, and Temporary Assistance for Needy Families (TANF) are for the purpose of enabling the division of family resources to carry out all services as provided in IC 12-14. In addition to the above appropriations, all money received from the federal government and paid into the state treasury as a grant or allowance is appropriated and shall be expended by the division of family resources for the respective purposes for which such money was allocated and paid to the state.

BURIAL EXPENSES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	5,665,041	5,665,041
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DIVISION OF AGING ADMINISTRATION

Other Operating Expense	738,378	738,378
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The above appropriations for the division of aging administration are for administrative expenses. Any federal fund reimbursements received for such purposes are to be deposited in the general fund.

ROOM AND BOARD ASSISTANCE (R-CAP)

Total Operating Expense	8,481,788	8,481,788
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C.H.O.I.C.E. IN-HOME SERVICES

Total Operating Expense	48,765,643	48,765,643
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The above appropriations for C.H.O.I.C.E. In-Home Services include intragovernmental transfers to provide the nonfederal share of the Medicaid aged and disabled waiver.

The intragovernmental transfers for use in the Medicaid aged and disabled waiver may not exceed \$18,000,000 annually.

The division of aging shall conduct an annual evaluation of the cost effectiveness of providing home and community-based services. Before January of each year, the division shall submit a report to the budget committee, the budget agency, and the legislative council (in an electronic format under IC 5-14-6) that covers all aspects of the division's evaluation and such other information pertaining thereto as may be requested by the budget committee, the budget agency, or the legislative council, including the following:

- (1) the number and demographic characteristics of the recipients of home and community-based services during the preceding fiscal year, including a separate count of individuals who received no services other than case management services (as defined in 455 IAC 2-4-10) during the preceding fiscal year;
- (2) the total cost and per recipient cost of providing home and community-based services during the preceding fiscal year.

The division shall obtain from providers of services data on their costs and expenditures regarding implementation of the program and report the findings to the budget committee,



the budget agency, and the legislative council. The report to the legislative council must be in an electronic format under IC 5-14-6.

STATE SUPPLEMENT TO SSBG - AGING		
Total Operating Expense	687,396	687,396
OLDER HOOSIERS ACT		
Total Operating Expense	1,573,446	1,573,446
ADULT PROTECTIVE SERVICES		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	5,451,948	5,451,948
Augmentation allowed.		

The above appropriations may be used for emergency adult protective services placement. Funds shall be used to the extent that such services are not available to an individual through a policy of accident and sickness insurance, a health maintenance organization contract, the Medicaid program, the federal Medicare program, or any other federal program.

ADULT GUARDIANSHIP SERVICES		
Total Operating Expense	405,565	405,565
TITLE III ADMINISTRATION GRANT		
Total Operating Expense	253,437	253,437
OMBUDSMAN		
Total Operating Expense	310,124	310,124
DIVISION OF DISABILITY AND REHABILITATIVE SERVICES ADMINISTRATION		
Total Operating Expense	360,764	360,764
BUREAU OF REHABILITATIVE SERVICES		
- VOCATIONAL REHABILITATION OPERATING		
Total Operating Expense	15,866,049	15,866,049
AID TO INDEPENDENT LIVING		
Total Operating Expense	46,927	46,927
accessABILITY CENTER FOR INDEPENDENT LIVING		
Total Operating Expense	87,665	87,665
SOUTHERN INDIANA CENTER FOR INDEPENDENT LIVING		
Total Operating Expense	87,665	87,665
ATTIC, INCORPORATED		
Total Operating Expense	87,665	87,665
LEAGUE FOR THE BLIND AND DISABLED		
Total Operating Expense	87,665	87,665
FUTURE CHOICES, INC.		
Total Operating Expense	158,113	158,113
THE WABASH INDEPENDENT LIVING AND LEARNING CENTER, INC.		
Total Operating Expense	158,113	158,113
INDEPENDENT LIVING CENTER OF EASTERN INDIANA		
Total Operating Expense	158,113	158,113

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BUREAU OF REHABILITATIVE SERVICES - DEAF AND HARD OF HEARING SERVICES			
Personal Services	124,232	124,232	
Other Operating Expense	142,542	142,542	
BUREAU OF REHABILITATIVE SERVICES - BLIND VENDING OPERATIONS			
Total Operating Expense	129,905	129,905	
BUREAU OF REHABILITATIVE SERVICES - INDEPENDENT LIVING - BLIND ELDERLY			
Total Operating Expense	69,357	69,357	
BUREAU OF REHABILITATIVE SERVICES - SUPPORTED EMPLOYMENT			
Total Operating Expense	26,156	26,156	
BUREAU OF QUALITY IMPROVEMENT SERVICES			
Total Operating Expense	2,533,633	2,533,633	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DAY SERVICES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Other Operating Expense	3,418,884	3,418,884	
FIRST STEPS			
Total Operating Expense	8,149,513	8,149,513	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - DIAGNOSIS AND EVALUATION			
Total Operating Expense	400,125	400,125	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - CAREGIVER SUPPORT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Other Operating Expense	250,000	250,000	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - OPERATING			
Total Operating Expense	6,595,632	6,595,632	
BUREAU OF DEVELOPMENTAL DISABILITIES SERVICES - RESIDENTIAL SERVICES			
General Fund			
Total Operating Expense	85,067,952	85,067,952	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	11,027,819	11,027,819	

The above appropriations for residential services include the intragovernmental transfers necessary to provide the nonfederal share of reimbursement under the Medicaid program for day services provided to residents of group homes and nursing facilities.

In the development of new community residential settings for persons with developmental disabilities, the division of disability and rehabilitative services must give priority to the appropriate placement of such persons who are eligible for Medicaid and currently residing in intermediate care or skilled nursing facilities and, to the extent permitted by law, such persons who reside with aged parents or guardians or families in crisis.

PRE-K EDUCATION PILOT

Total Operating Expense	22,000,000	22,000,000
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Of the above appropriations, \$1,000,000 shall be used each fiscal year for reimbursement of technology based in-home early education services under IC 12-17.2-7.5.



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
SCHOOL AGE CHILD CARE PROJECT FUND			
Total Operating Expense	812,413	812,413	
CHILD CARE & DEVELOPMENT FUND			
Total Operating Expense	34,316,109	34,316,109	
HEADSTART			
Total Operating Expense	43,750	43,750	
CHILD CARE LICENSING FUND			
Child Care Fund (IC 12-17.2-2-3)			
Total Operating Expense	30,000	30,000	
Augmentation allowed.			

FOR THE DEPARTMENT OF CHILD SERVICES

CHILD SERVICES ADMINISTRATION			
Total Operating Expense	201,056,906	231,056,906	
DHHS CHILD WELFARE PROGRAM			
Total Operating Expense	46,554,199	46,554,199	
CHILD WELFARE SERVICES STATE GRANTS			
Total Operating Expense	11,416,415	11,416,415	
TITLE IV-D CHILD SUPPORT			
Total Operating Expense	13,379,008	13,379,008	

The above appropriations for the department of child services Title IV-D of the federal Social Security Act are made under, and not in addition to, IC 31-25-4-28.

FAMILY AND CHILDREN FUND			
Total Operating Expense	294,500,048	314,500,048	
Augmentation allowed.			
YOUTH SERVICE BUREAU			
Total Operating Expense	1,303,699	1,303,699	
PROJECT SAFEPLACE			
Total Operating Expense	112,000	112,000	
HEALTHY FAMILIES INDIANA			
Total Operating Expense	3,093,145	3,093,145	
ADOPTION SERVICES			
Total Operating Expense	26,362,735	26,362,735	
TITLE IV-E ADOPTION SERVICES			
Total Operating Expense	31,489,886	31,489,886	

FOR THE DEPARTMENT OF ADMINISTRATION

DEPARTMENT OF CHILD SERVICES OMBUDSMAN BUREAU			
Total Operating Expense	304,295	304,295	

B. PUBLIC HEALTH

FOR THE STATE DEPARTMENT OF HEALTH

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General Fund	22,899,765	22,899,765
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
	2,169,261	1,700,875
Augmentation Allowed.		

The amounts specified from the General Fund and the tobacco master settlement agreement fund are for the following purposes:

Personal Services	20,171,018	20,171,018
Other Operating Expense	4,898,008	4,429,622

All receipts to the state department of health from licenses or permit fees shall be deposited in the state general fund.

AREA HEALTH EDUCATION CENTERS		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	2,300,000	2,300,000
CANCER REGISTRY		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	488,375	488,375
MINORITY HEALTH INITIATIVE		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	2,473,500	2,473,500

The above appropriations shall be allocated to the Indiana Minority Health Coalition to work with the state department on the implementation of IC 16-46-11.

SICKLE CELL		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	490,000	490,000
MEDICARE-MEDICAID CERTIFICATION		
Total Operating Expense	5,014,068	5,014,068

Personal services augmentation allowed in amounts not to exceed revenue from health facilities license fees or from health care providers (as defined in IC 16-18-2-163) fee increases or those adopted by the Executive Board of the Indiana State Department of Health under IC 16-19-3.

AIDS EDUCATION		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Personal Services	218,070	218,070
Other Operating Expense	435,533	435,533
HIV/AIDS SERVICES		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	1,992,517	1,992,517	
AIDS CARE COORDINATION			
Total Operating Expense	278,981	278,981	
INFECTIOUS DISEASE			
Total Operating Expense	1,390,325	1,390,325	
TUBERCULOSIS TREATMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	100,000	100,000	
STATE CHRONIC DISEASES			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Personal Services	103,188	103,188	
Other Operating Expense	759,300	759,300	

At least \$82,560 of the above appropriations shall be for grants to community groups and organizations as provided in IC 16-46-7-8. The state department of health may consider grants to the Kidney Foundation up to \$50,000.

STATEWIDE CHILD FATALITY COORDINATOR			
Total Operating Expense	55,226	55,226	
FOOD ASSISTANCE			
Total Operating Expense	104,978	104,978	
WOMEN, INFANTS, AND CHILDREN SUPPLEMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	184,300	184,300	
MATERNAL AND CHILD HEALTH SUPPLEMENT			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	184,300	184,300	
CANCER EDUCATION AND DIAGNOSIS - BREAST CANCER			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	69,172	69,172	
BREAST AND CERVICAL CANCER PROGRAM			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	106,575	106,575	
ADOPTION HISTORY			
Adoption History Fund (IC 31-19-18-6)			
Total Operating Expense	192,266	192,266	
Augmentation allowed.			
CHILDREN WITH SPECIAL HEALTH CARE NEEDS			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	10,393,134	10,393,134	
Augmentation allowed.			
NEWBORN SCREENING PROGRAM			
Newborn Screening Fund (IC 16-41-17-11)			
Personal Services	816,274	816,274	
Other Operating Expense	1,688,066	1,688,066	

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Augmentation allowed.

The above appropriation includes funding for pulse oximetry screening of infants.

CENTER FOR DEAF AND HARD OF HEARING EDUCATION		
Total Operating Expense	2,018,097	2,018,097
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	739,747	739,747
RADON GAS TRUST FUND		
Radon Gas Trust Fund (IC 16-41-38-8)		
Total Operating Expense	10,670	10,670
Augmentation allowed.		
SAFETY PIN PROGRAM		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	5,500,000	5,500,000
BIRTH PROBLEMS REGISTRY		
Birth Problems Registry Fund (IC 16-38-4-17)		
Personal Services	63,824	63,824
Other Operating Expense	9,693	9,693
Augmentation allowed.		
MOTOR FUEL INSPECTION PROGRAM		
Motor Fuel Inspection Fund (IC 16-44-3-10)		
Total Operating Expense	160,000	160,000
Augmentation allowed.		
DONATED DENTAL SERVICES		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	34,335	34,335

The above appropriation shall be used by the Indiana foundation for dentistry for individuals who are handicapped.

OFFICE OF WOMEN'S HEALTH		
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	96,970	96,970
SPINAL CORD AND BRAIN INJURY		
Spinal Cord and Brain Injury Fund (IC 16-41-42.2-3)		
Total Operating Expense	1,600,000	1,600,000
Augmentation allowed.		
HEALTHY IN PLAN - IMMUNIZATIONS		
Healthy IN Plan Trust Fund (IC 12-15-44.2-17)		
Total Operating Expense	11,000,000	11,000,000
WEIGHTS AND MEASURES FUND		
Weights and Measures Fund (IC 16-19-5-4)		
Total Operating Expense	7,000	7,000
Augmentation allowed.		

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MINORITY EPIDEMIOLOGY

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	618,375	618,375

COMMUNITY HEALTH CENTERS

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	14,453,000	14,453,000

PRENATAL SUBSTANCE USE & PREVENTION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	119,965	119,965

OPIOID OVERDOSE INTERVENTION

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	250,000	250,000

NURSE FAMILY PARTNERSHIP

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	5,000,000	5,000,000

HEARING AND BLIND SERVICES

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	500,000	500,000

Of the above appropriations for hearing and blind services, three hundred seventy-five thousand dollars (\$375,000) shall be annually deposited in the Hearing Aid Fund established under IC 16-35-8-3.

LOCAL HEALTH MAINTENANCE FUND

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
Total Operating Expense	3,915,209	3,915,209

Augmentation allowed.

The amount appropriated from the tobacco master settlement agreement fund is in lieu of the appropriation provided for this purpose in IC 6-7-1-30.5 or any other law. Of the above appropriations for the local health maintenance fund, \$60,000 each year shall be used to provide additional funding to adjust funding through the formula in IC 16-46-10 to reflect population increases in various counties. Money appropriated to the local health maintenance fund must be allocated under the following schedule each year to each local board of health whose application for funding is approved by the state department of health:

COUNTY POPULATION	AMOUNT OF GRANT
over 499,999	94,112
100,000 - 499,999	72,672
50,000 - 99,999	48,859
under 50,000	33,139

LOCAL HEALTH DEPARTMENT ACCOUNT

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)		
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	3,000,000	3,000,000	

The above appropriations for the local health department account are statutory distributions under IC 4-12-7.

TOBACCO USE PREVENTION AND CESSATION PROGRAM

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	7,500,000	7,500,000
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A minimum of 90% of the above appropriations shall be used for grants to local agencies and other entities with programs designed to reduce smoking.

FOR THE INDIANA SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

Personal Services	9,396,221	9,396,221
Other Operating Expense	1,558,575	1,558,575

FOR THE INDIANA SCHOOL FOR THE DEAF

Personal Services	13,659,882	13,976,036
Other Operating Expense	2,256,439	2,256,439

C. VETERANS' AFFAIRS

FOR THE INDIANA DEPARTMENT OF VETERANS' AFFAIRS

Personal Services	1,614,054	1,614,054
Other Operating Expense	1,384,234	1,134,234

The above appropriations for personal services include funding for a women's veteran services officer and \$300,000 each year for six state veterans services officers.

The above appropriation for other operating expense includes \$250,000 in FY 2018 for the USS Indiana Commissioning Committee.

VETERAN SERVICE ORGANIZATIONS

Total Operating Expense	910,000	910,000
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The above appropriations shall be used to assist veterans in securing available benefits and shall be allocated to the following organizations:

- American Legion: \$200,000**
- Disabled Veterans: \$200,000**
- Veterans of Foreign Wars: \$200,000**
- AMVETS: \$100,000**
- Vietnam Veterans: \$100,000**

The allocations shall be administered by and accountable to the Indiana Department of Veterans' Affairs.



OPERATION OF VETERANS' CEMETERY

Total Operating Expense	279,577	279,577
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MILITARY FAMILY RELIEF FUND

Military Family Relief Fund (IC 10-17-12-8)

Total Operating Expense	1,678,100	1,678,100
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INDIANA VETERANS' HOME

From the General Fund

2,927,180	2,927,180
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From the Veterans' Home Comfort and Welfare Program

10,669,626	10,669,626
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From the IVH Medicaid Reimbursement Fund

9,432,296	9,432,296
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Augmentation allowed from the Comfort and Welfare Fund, and the IVH Medicaid Reimbursement Fund.

The amounts specified from the General Fund, the Veterans' Home Comfort and Welfare Program, and the IVH Medicaid Reimbursement Fund are for the following purposes:

Personal Services	12,559,102	12,559,102
Other Operating Expense	10,470,000	10,470,000

SECTION 9. [EFFECTIVE JULY 1, 2017]

EDUCATION

A. HIGHER EDUCATION

FOR INDIANA UNIVERSITY

BLOOMINGTON CAMPUS

Total Operating Expense	198,427,517	200,892,690
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Fee Replacement	20,255,389	23,775,573
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FOR INDIANA UNIVERSITY REGIONAL CAMPUSES

EAST

Total Operating Expense	11,336,768	11,697,093
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Fee Replacement	1,028,645	555,970
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KOKOMO

Total Operating Expense	13,644,149	14,013,516
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Fee Replacement	1,181,466	1,683,433
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NORTHWEST

Total Operating Expense	17,481,650	17,635,464
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Fee Replacement	5,824,692	5,157,768
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SOUTH BEND



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	23,613,102	23,982,670	
Fee Replacement	3,226,763	4,086,620	
SOUTHEAST			
Total Operating Expense	19,863,677	20,149,938	
Fee Replacement	2,770,653	3,329,290	
FORT WAYNE HEALTH SCIENCES PROGRAM			
Total Operating Expense	0	4,850,000	
TOTAL APPROPRIATION - INDIANA UNIVERSITY REGIONAL CAMPUSES	99,971,565	107,141,762	

**FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY
AT INDIANAPOLIS (IUPUI)**

I. U. SCHOOLS OF MEDICINE AND DENTISTRY

Total Operating Expense	101,876,703	103,134,439
Fee Replacement	12,670,612	10,475,279

FOR INDIANA UNIVERSITY SCHOOL OF MEDICINE

INDIANA UNIVERSITY SCHOOL OF MEDICINE - EVANSVILLE

Total Operating Expense	2,132,341	2,158,666
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - FORT WAYNE

Total Operating Expense	1,993,081	2,017,687
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - NORTHWEST - GARY

Total Operating Expense	2,666,144	2,699,060
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - LAFAYETTE

Total Operating Expense	2,422,099	2,452,002
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - MUNCIE

Total Operating Expense	2,217,489	2,244,866
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - SOUTH BEND

Total Operating Expense	2,084,994	2,110,734
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INDIANA UNIVERSITY SCHOOL OF MEDICINE - TERRE HAUTE

Total Operating Expense	2,410,227	2,439,983
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The Indiana University School of Medicine - Indianapolis shall submit to the Indiana commission for higher education before May 15 of each year an accountability report containing data on the number of medical school graduates who entered primary care physician residencies in Indiana from the school's most recent graduating class.

FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY AT INDIANAPOLIS (IUPUI)

GENERAL ACADEMIC DIVISIONS

Total Operating Expense	104,429,308	105,869,040
Fee Replacement	6,422,595	6,097,304

TOTAL APPROPRIATIONS - IUPUI

241,325,593 241,699,060

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Transfers of allocations between campuses to correct for errors in allocation among the campuses of Indiana University can be made by the institution with the approval of the commission for higher education and the budget agency. Indiana University shall maintain current operations at all statewide medical education sites.

FOR INDIANA UNIVERSITY

DUAL CREDIT

Total Operating Expense	2,620,300	2,620,300
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CLINICAL AND TRANSLATIONAL SCIENCES INSTITUTE

Total Operating Expense	2,500,000	2,500,000
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GLOBAL NETWORK OPERATIONS CENTER

Total Operating Expense	721,861	721,861
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SPINAL CORD AND HEAD INJURY RESEARCH CENTER

Total Operating Expense	553,429	553,429
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INSTITUTE FOR THE STUDY OF DEVELOPMENTAL DISABILITIES

Total Operating Expense	2,105,824	2,105,824
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GEOLOGICAL SURVEY

Total Operating Expense	2,783,782	2,783,782
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I-LIGHT NETWORK OPERATIONS

Build Indiana Fund (IC 4-30-17)

Total Operating Expense	1,508,628	1,508,628
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IU MCKINNEY SCHOOL OF LAW

Total Operating Expense	300,000	0
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The above appropriation shall be used to develop a joint agriculture law and business degree program.

FOR PURDUE UNIVERSITY

WEST LAFAYETTE

Total Operating Expense	236,233,995	237,010,307
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Fee Replacement	19,907,318	24,549,177
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NORTHWEST

Total Operating Expense	43,451,403	44,154,076
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Fee Replacement	1,636,805	4,344,594
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FOR INDIANA UNIVERSITY - PURDUE UNIVERSITY

AT FORT WAYNE (IPFW)

Total Operating Expense	42,146,858	42,622,390
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Fee Replacement	3,582,945	3,386,657
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Transfers of allocations between campuses to correct for errors in allocation among the campuses of Purdue University can be made by the institution with the approval of the commission for higher education and the budget agency.

FOR PURDUE UNIVERSITY

NEXT GENERATION MANUFACTURING COMPETITIVENESS CENTER



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	2,500,000	2,500,000	
THINK SUMMER			
Total Operating Expense	1,500,000	1,500,000	
PURDUE MOVES			
Total Operating Expense	1,000,000	1,000,000	
DUAL CREDIT			
Total Operating Expense	2,412,600	2,412,600	
ANIMAL DISEASE DIAGNOSTIC LABORATORY SYSTEM			
Total Operating Expense	5,741,561	3,711,561	

The above appropriations shall be used to fund the animal disease diagnostic laboratory system (ADDL), which consists of the main ADDL at West Lafayette, the bangs disease testing service at West Lafayette, and the southern branch of ADDL Southern Indiana Purdue Agricultural Center (SIPAC) in Dubois County. The above appropriations are in addition to any user charges that may be established and collected under IC 21-46-3-5. Notwithstanding IC 21-46-3-4, the trustees of Purdue University may approve reasonable charges for testing for pseudorabies.

STATEWIDE TECHNOLOGY			
Total Operating Expense	6,695,258	6,695,258	
COUNTY AGRICULTURAL EXTENSION EDUCATORS			
Total Operating Expense	7,487,816	7,487,816	
AGRICULTURAL RESEARCH AND EXTENSION - CROSSROADS			
Total Operating Expense	8,492,325	8,492,325	
CENTER FOR PARALYSIS RESEARCH			
Total Operating Expense	522,558	522,558	
UNIVERSITY-BASED BUSINESS ASSISTANCE			
Total Operating Expense	1,930,212	1,930,212	
FOR INDIANA STATE UNIVERSITY			
Total Operating Expense	65,154,447	65,573,788	
Fee Replacement	11,984,228	11,998,773	
DUAL CREDIT			
Total Operating Expense	180,750	180,750	
NURSING PROGRAM			
Total Operating Expense	204,000	204,000	
PRINCIPAL LEADERSHIP ACADEMY			
Total Operating Expense	600,000	600,000	
STUDENT SUCCESS INITIATIVES			
Total Operating Expense	2,350,000	2,350,000	
FOR UNIVERSITY OF SOUTHERN INDIANA			
Total Operating Expense	44,859,953	45,279,008	
Fee Replacement	9,011,024	12,232,928	
DUAL CREDIT			

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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Total Operating Expense	302,550	302,550	
CAMPUS SECURITY ENHANCEMENTS			
Total Operating Expense	750,000	750,000	
STEM INNOVATION AND EXPANSION INITIATIVES			
Total Operating Expense	500,000	500,000	
HISTORIC NEW HARMONY			
Total Operating Expense	486,878	486,878	
FOR BALL STATE UNIVERSITY			
Total Operating Expense	130,307,985	132,521,659	
Fee Replacement	16,009,403	22,882,929	
DUAL CREDIT			
Total Operating Expense	247,550	247,550	
ENTREPRENEURIAL COLLEGE			
Total Operating Expense	2,500,000	2,500,000	
ACADEMY FOR SCIENCE, MATHEMATICS, AND HUMANITIES			
Total Operating Expense	4,384,956	4,384,956	
FOR VINCENNES UNIVERSITY			
Total Operating Expense	40,531,998	41,117,382	
Fee Replacement	6,209,542	6,204,492	
DUAL CREDIT			
Total Operating Expense	3,933,800	3,933,800	
CAREER AND TECHNICAL EARLY COLLEGE PROGRAM			
Total Operating Expense	3,000,000	3,000,000	

Additional Early College sites may not be established unless approved by the Commission for Higher Education. The Commission shall notify the budget committee whenever the Commission approves a new Early College site.

FOR IVY TECH COMMUNITY COLLEGE			
Total Operating Expense	223,958,629	227,928,317	
Fee Replacement	30,827,379	34,630,914	
DUAL CREDIT			
Total Operating Expense	12,989,150	12,989,150	
STATEWIDE NURSING PARTNERSHIP			
Total Operating Expense	85,411	85,411	
FT. WAYNE PUBLIC SAFETY TRAINING CENTER			
Total Operating Expense	1,000,000	1,000,000	

The above appropriations do not include funds for the course development grant program.

The sums herein appropriated to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College are in addition to all income of said institutions,



respectively, from all permanent fees and endowments and from all land grants, fees, earnings, and receipts, including gifts, grants, bequests, and devises, and receipts from any miscellaneous sales from whatever source derived.

All such income and all such fees, earnings, and receipts on hand June 30, 2017, and all such income and fees, earnings, and receipts accruing thereafter are hereby appropriated to the boards of trustees or directors of the aforementioned institutions and may be expended for any necessary expenses of the respective institutions, including university hospitals, schools of medicine, nurses' training schools, schools of dentistry, and agricultural extension and experimental stations. However, such income, fees, earnings, and receipts may be used for land and structures only if approved by the governor and the budget agency.

The above appropriations to Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College include the employers' share of Social Security payments for university employees under the public employees' retirement fund, or institutions covered by the Indiana state teachers' retirement fund. The funds appropriated also include funding for the employers' share of payments to the public employees' retirement fund and to the Indiana state teachers' retirement fund at a rate to be established by the retirement funds for both fiscal years for each institution's employees covered by these retirement plans.

The treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College shall, at the end of each three (3) month period, prepare and file with the auditor of state a financial statement that shall show in total all revenues received from any source, together with a consolidated statement of disbursements for the same period. The budget director shall establish the requirements for the form and substance of the reports.

The reports of the treasurer also shall contain in such form and in such detail as the governor and the budget agency may specify, complete information concerning receipts from all sources, together with any contracts, agreements, or arrangements with any federal agency, private foundation, corporation, or other entity from which such receipts accrue.

All such treasurers' reports are matters of public record and shall include without limitation a record of the purposes of any and all gifts and trusts with the sole exception of the names of those donors who request to remain anonymous.

Notwithstanding IC 4-10-11, the auditor of state shall draw warrants to the treasurers of Indiana University, Purdue University, Indiana State University, University of Southern Indiana, Ball State University, Vincennes University, and Ivy Tech Community College on the basis of vouchers stating the total amount claimed against each fund or



account, or both, but not to exceed the legally made appropriations.

For universities and colleges supported in whole or in part by state funds, grant applications and lists of applications need only be submitted upon request to the budget agency for review and approval or disapproval and, unless disapproved by the budget agency, federal grant funds may be requested and spent without approval by the budget agency. Each institution shall retain the applications for a reasonable period of time and submit a list of all grant applications, at least monthly, to the commission for higher education for informational purposes.

For all university special appropriations, an itemized list of intended expenditures, in such form as the governor and the budget agency may specify, shall be submitted to support the allotment request. All budget requests for university special appropriations shall be furnished in a like manner and as a part of the operating budgets of the state universities.

The trustees of Indiana University, the trustees of Purdue University, the trustees of Indiana State University, the trustees of University of Southern Indiana, the trustees of Ball State University, the trustees of Vincennes University, and the trustees of Ivy Tech Community College are hereby authorized to accept federal grants, subject to IC 4-12-1.

Fee replacement funds are to be distributed as requested by each institution, on payment due dates, subject to available appropriations.

**FOR THE MEDICAL EDUCATION BOARD
FAMILY PRACTICE RESIDENCY FUND**

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	1,852,698	1,852,698
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Of the above appropriations for the medical education board-family practice residency fund, \$1,000,000 each year shall be used for grants for the purpose of improving family practice residency programs serving medically underserved areas.

**FOR THE GRADUATE MEDICAL EDUCATION BOARD
MEDICAL RESIDENCY EDUCATION GRANTS**

Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)

Total Operating Expense	3,000,000	3,000,000
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The above appropriations for medical residency education grants are to be distributed in accordance with IC 21-13-6.5.

FOR THE COMMISSION FOR HIGHER EDUCATION

Total Operating Expense	3,061,771	3,061,771
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
FREEDOM OF CHOICE GRANTS			
Total Operating Expense	52,388,418	52,388,418	
HIGHER EDUCATION AWARD PROGRAM			
Total Operating Expense	93,351,582	93,351,582	

For the higher education awards and freedom of choice grants made for the 2017-2019 biennium, the following guidelines shall be used, notwithstanding current administrative rule or practice:

- (1) The commission shall maintain the proportionality of award maximums for public, private, and proprietary institutions when setting forth amounts under IC 21-12-1.7.
- (2) Minimum Award: No actual award shall be less than \$600.
- (3) The commission shall reduce award amounts as necessary to stay within the appropriation.

TUITION AND FEE EXEMPTION FOR CHILDREN OF VETERANS AND PUBLIC SAFETY OFFICERS (IC 21-14)

Total Operating Expense	28,701,041	28,701,041
ADULT STUDENT GRANT DISTRIBUTION		
Total Operating Expense	7,579,858	7,579,858

Priority for awards made from the above appropriation shall be given first to eligible students meeting TANF income eligibility guidelines as determined by the family and social services administration and second to eligible students who received awards from the adult grant fund during the school year associated with the biennial budget year. Funds remaining shall be distributed according to procedures established by the commission. The maximum grant that an applicant may receive for a particular academic term shall be established by the commission but shall in no case be greater than a grant for which an applicant would be eligible under IC 21-12-3 if the applicant were a full-time student. The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR Part 265.

The family and social services administration, division of family resources, shall apply all qualifying expenditures for the part-time grant program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

STEM TEACHER RECRUITMENT FUND

Total Operating Expense	5,000,000	5,000,000
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The above appropriation may be used to provide grants to nonprofit organizations that place new science, technology, engineering, and math teachers in elementary and high schools located in underserved areas.

MINORITY TEACHER SCHOLARSHIPS

Total Operating Expense	400,000	400,000
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
HIGH NEED STUDENT TEACHING STIPEND FUND			
Total Operating Expense	450,000	450,000	
MINORITY STUDENT TEACHING STIPEND FUND			
Total Operating Expense	50,000	50,000	
EARN INDIANA WORK STUDY PROGRAM			
Total Operating Expense	606,099	606,099	
21ST CENTURY ADMINISTRATION			
Total Operating Expense	1,842,862	1,842,862	
21ST CENTURY SCHOLAR AWARDS			
Total Operating Expense	159,676,117	144,501,004	

The commission shall collect and report to the family and social services administration (FSSA) all data required for FSSA to meet the data collection and reporting requirements in 45 CFR 265.

Family and social services administration, division of family resources, shall apply all qualifying expenditures for the 21st century scholars program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

INDIANA INTERNet			
Total Operating Expense	250,000	250,000	
POSTSECONDARY CREDIT BEARING PROPRIETARY EDUCATIONAL INSTITUTION ACC			
Postsecondary Credit Bearing Proprietary Educational Institution Authorization Fund (IC 21-18.5-6-26(b))			
Total Operating Expense	232,682	232,682	
Augmentation allowed.			
NEXT GENERATION HOOSIER EDUCATORS			
Next Generation Hoosier Educators Scholarship Fund (IC 21-12-16-3)			
Total Operating Expense	1,582,400	3,082,400	
Augmentation allowed.			
NATIONAL GUARD SCHOLARSHIP			
Total Operating Expense	3,676,240	3,676,240	

The above appropriations for national guard scholarship and any program reserves shall be the total allowable state expenditure for the program in the 2017-2019 biennium. If the dollar amounts of eligible awards exceed appropriations and program reserves, the commission shall develop a plan to ensure that the total dollar amount does not exceed the above appropriations and any program reserves.

PRIMARY CARE SCHOLARSHIP			
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Total Operating Expense	2,000,000	2,000,000	

The above appropriations for primary care scholarship are for scholarships under



IC 21-13-9.

LEARN MORE INDIANA		
Total Operating Expense	703,250	703,250
STATEWIDE TRANSFER AND TECHNOLOGY		
Total Operating Expense	1,051,787	1,051,787
WORKFORCE READY GRANTS		
Total Operating Expense	2,000,000	2,000,000

The above appropriations may be used to provide workforce ready grants to adults who pursue high value certificates. The commission may also use the above appropriations to provide outreach to adults who may be eligible to receive workforce ready grants.

FOR THE DEPARTMENT OF ADMINISTRATION

COLUMBUS LEARNING CENTER LEASE PAYMENT		
Total Operating Expense	5,312,000	5,421,000

FOR THE STATE BUDGET AGENCY

GIGAPOP PROJECT		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	672,562	672,562
SOUTHERN INDIANA EDUCATIONAL ALLIANCE		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	1,057,738	1,057,738
DEGREE LINK		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	446,438	446,438

The above appropriations shall be used for the delivery of Indiana State University baccalaureate degree programs at Ivy Tech Community College and Vincennes University locations through Degree Link.

WORKFORCE CENTERS		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	710,810	710,810
MIDWEST HIGHER EDUCATION COMPACT		
Build Indiana Fund (IC 4-30-17)		
Total Operating Expense	115,000	115,000

B. ELEMENTARY AND SECONDARY EDUCATION

FOR THE STATE BOARD OF EDUCATION		
Total Operating Expense	2,500,000	2,500,000

The above appropriations for the Indiana state board of education are for the academic



standards project to distribute copies of the academic standards and provide teachers with curriculum frameworks; for special evaluation and research projects, including national and international assessments; and for state board administrative expenses.

CHARTER AND INNOVATION NETWORK SCHOOL GRANT PROGRAM (IC 20-24-13)

Total Operating Expense	15,000,000	15,000,000
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FOR THE INDIANA CHARTER SCHOOL BOARD

Total Operating Expense	750,000	750,000
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**FOR THE DEPARTMENT OF EDUCATION
SUPERINTENDENT'S OFFICE**

From the General Fund

13,495,125	13,495,125
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From the Professional Standards Fund (IC 20-28-2-10)

395,000	395,000
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Augmentation allowed from the Professional Standards Fund.

The amounts specified from the General Fund and the Professional Standards Fund are for the following purposes:

Personal Services	9,681,652	9,681,652
Other Operating Expense	4,208,473	4,208,473

The above appropriation includes funds to provide state support to educational service centers.

PUBLIC TELEVISION DISTRIBUTION

Total Operating Expense	3,675,000	3,675,000
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The above appropriations are for grants for public television. The Indiana Public Broadcasting Stations, Inc., shall submit a distribution plan for the eight Indiana public education television stations that shall be approved by the budget agency after review by the budget committee. Of the above appropriations, at least one seventh of the funds each year shall be distributed equally among all of the public radio stations.

SCHOOL EFFICIENCY INCENTIVE GRANTS

Total Operating Expense	0	5,000,000
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STEM PROGRAM ALIGNMENT

Total Operating Expense	1,000,000	1,000,000
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The above appropriations shall be used to fund research, surveys, and related staff support activities to develop recommendations to improve elementary and secondary student achievement and participation in science, technology, engineering, and



math (STEM) subjects throughout Indiana and to improve coordination among the various STEM initiatives. The department of education shall collaborate with the commission for higher education, the department of workforce development, the Indiana economic development corporation, the office of the governor, and the business community regarding programs, procedures, funding, and related policy matters to ensure equal and daily access to a quality, standards-based kindergarten through grade 12 STEM education. Up to \$90,000 of the above appropriations is for the Summer Institute for Curriculum Development at Ball State University.

INDIANA BAR FOUNDATION - WE THE PEOPLE		
Total Operating Expense	300,000	300,000
DUAL IMMERSION PILOT PROGRAM		
Total Operating Expense	500,000	500,000
RILEY HOSPITAL		
Total Operating Expense	250,000	250,000
BEST BUDDIES		
Total Operating Expense	206,125	206,125
PERKINS STATE MATCH		
Total Operating Expense	494,000	494,000
SCHOOL TRAFFIC SAFETY		
Personal Services	250,788	250,788
Other Operating Expense	1,695	1,695
Augmentation allowed.		
EDUCATION LICENSE PLATE FEES		
Education License Plate Fees Fund (IC 9-18.5-15)		
Total Operating Expense	32,819	32,819
ACCREDITATION SYSTEM		
Personal Services	497,857	497,857
Other Operating Expense	205,007	205,007
SPECIAL EDUCATION (S-5)		
Total Operating Expense	24,070,000	24,070,000

The above appropriations for special education are made under IC 20-35-6-2.

SPECIAL EDUCATION EXCISE		
Alcoholic Beverage Excise Tax Funds (IC 20-35-4-4)		
Personal Services	145,406	145,406
Other Operating Expense	241,121	241,121
Augmentation allowed.		
CAREER AND TECHNICAL EDUCATION		
Personal Services	1,144,829	1,144,829
Other Operating Expense	68,074	68,074
TEACHERS' SOCIAL SECURITY AND RETIREMENT DISTRIBUTION		
Total Operating Expense	2,403,792	2,403,792

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The above appropriations shall be distributed by the department of education on a monthly basis and in approximately equal payments to special education cooperatives, area career and technical education schools, and other governmental entities that received state teachers' Social Security distributions for certified education personnel (excluding the certified education personnel funded through federal grants) during the fiscal year beginning July 1, 1992, and ending June 30, 1993, and for the units under the Indiana state teachers' retirement fund, the amount they received during the 2002-2003 state fiscal year for teachers' retirement. If the total amount to be distributed is greater than the total appropriation, the department of education shall reduce each entity's distribution proportionately.

DISTRIBUTION FOR TUITION SUPPORT

Total Operating Expense	7,041,000,000	7,160,000,000
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The above appropriations for distribution for tuition support are to be distributed for tuition support, complexity grants, special education programs, career and technical education programs, honor grants, Mitch Daniels early graduation scholarships, and choice scholarships in accordance with a statute enacted for this purpose during the 2017 session of the general assembly.

If the above appropriations for distribution for tuition support are more than are required under this SECTION, any excess shall revert to the general fund.

The above appropriations for tuition support shall be made each fiscal year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each fiscal year shall equal the amount required under the statute enacted for the purpose referred to above.

TEACHER APPRECIATION GRANTS

Total Operating Expense	30,000,000	30,000,000
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It is the intent of the 2017 general assembly that the above appropriations for teacher appreciation grants shall be the total allowable state expenditure for the program. If the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

DISTRIBUTION FOR SUMMER SCHOOL

Other Operating Expense	18,360,000	18,360,000
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It is the intent of the 2017 general assembly that the above appropriations for summer school shall be the total allowable state expenditure for the program. Therefore, if



the expected disbursements are anticipated to exceed the total appropriation for that state fiscal year, then the department of education shall reduce the distributions proportionately.

ADULT LEARNERS

Total Operating Expense	34,593,750	38,643,750
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EARLY INTERVENTION PROGRAM AND READING DIAGNOSTIC ASSESSMENT

Total Operating Expense	4,012,000	4,012,000
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The above appropriations for the early intervention program may be used for grants to local school corporations for grant proposals for early intervention programs.

The above appropriations may be used by the department of education for the reading diagnostic assessment and subsequent remedial programs or activities. The reading diagnostic assessment program, as approved by the board, is to be made available on a voluntary basis to all Indiana public and accredited nonpublic school first and second grade students upon the approval of the governing body of the school corporations or the accredited nonpublic school. The board shall determine how the funds will be distributed for the assessment and related remediation. The department or its representative shall provide progress reports on the assessment as requested by the board.

NATIONAL SCHOOL LUNCH PROGRAM

Total Operating Expense	5,125,000	5,125,000
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CURRICULAR MATERIAL REIMBURSEMENT

Total Operating Expense	39,000,000	39,000,000
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Before a school corporation or an accredited nonpublic school may receive a distribution under the textbook reimbursement program, the school corporation or accredited nonpublic school shall provide to the department the requirements established in IC 20-33-5-2. The department shall provide to the family and social services administration (FSSA) all data required for FSSA to meet the data collection reporting requirement in 45 CFR 265. The family and social services administration, division of family resources, shall apply all qualifying expenditures for the textbook reimbursement program toward Indiana's maintenance of effort under the federal Temporary Assistance for Needy Families (TANF) program (45 CFR 260 et seq.).

TESTING

Total Operating Expense	26,300,000	26,300,000
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The above appropriations are for assessments, including special education alternate assessments, as determined by the state board of education and the department of education.



REMEDICATION TESTING

Total Operating Expense	12,310,000	12,310,000
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The above appropriations for remediation testing are for grants to public and accredited nonpublic schools through the department of education. Public and accredited nonpublic schools shall use the grants to fund formative tests to identify students who require remediation. Prior to distribution to public and accredited nonpublic schools, the grant amounts and formula shall be submitted to the state board of education and the budget agency for review and approval, and the department of education shall provide a report to the budget committee.

The above appropriations for remediation testing includes \$310,000 each fiscal year for the department of education to pay for college and career readiness examinations.

ADVANCED PLACEMENT PROGRAM

Other Operating Expense	5,200,000	5,200,000
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The above appropriations for the Advanced Placement Program are to provide funding for students of accredited public and nonpublic schools to take the College Board Advanced Placement math, English, and science exams and to supplement any federal funds awarded for non-math-and-science and English Advanced Placement exams taken by students qualified for the Free or Reduced Price Lunch program. Any remaining funds available after exam fees have been paid shall be prioritized for use by teachers of math and science Advanced Placement courses to attend professional development training for those courses.

PSAT PROGRAM

Other Operating Expense	1,900,000	2,200,000
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The above appropriations for the PSAT program are to provide funding for students of accredited public and nonpublic schools in grade 10 and 11 to take the PSAT exam.

NON-ENGLISH SPEAKING PROGRAM

Personal Services	77,559	77,559
Other Operating Expense	14,922,441	17,422,441

The above appropriations for the Non-English Speaking Program are for students who have a primary language other than English and limited English proficiency, as determined by using a standard proficiency examination that has been approved by the department of education.

The grant amount is \$250 per limited English proficiency student in FY 2018 and \$300 per limited English proficiency student in FY 2019. For school corporations and charter schools with a non-English speaking student enrollment of at least five percent (5%) and no more than eighteen percent (18%) of total student enrollment, the school corporation or charter school shall receive an additional per student



grant of \$975 in FY 2018 and \$1,037 in FY 2019 for each limited English proficiency student in excess of five percent (5%) of total enrollment. For school corporations and charter schools with a non-English speaking student enrollment greater than eighteen percent (18%) of total enrollment, the school corporation or charter school shall receive an additional per student grant of \$1,225 in FY 2018 and \$1,287 in FY 2019 for each limited English proficiency student in excess of five percent (5%) of total enrollment.

It is the intent of the 2017 general assembly that the above appropriation for the Non-English Speaking Program shall be the total allowable state expenditure for the program. If the expected distributions are anticipated to exceed the total appropriations for the state fiscal year, the department of education shall reduce each school corporation's and charter school's distribution proportionately.

GIFTED AND TALENTED EDUCATION PROGRAM

Personal Services	81,420	81,420
Other Operating Expense	12,466,676	12,966,676

In FY 2019, \$500,000 shall be made available to school corporations and charter schools to purchase verbal and quantitative reasoning tests to be administered to all students within the corporation or charter school that are enrolled in kindergarten, second grade, and fifth grade.

PRIMETIME

Personal Services	73,428	73,428
Other Operating Expense	81,102	81,102

DRUG FREE SCHOOLS

Total Operating Expense	36,656	36,656
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ALTERNATIVE EDUCATION

Total Operating Expense	6,247,909	6,247,909
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The above appropriations include funding to provide \$10,000 for each child attending a charter school operated by an accredited hospital specializing in the treatment of alcohol or drug abuse. This funding is in addition to tuition support for the charter school.

SENATOR DAVID C. FORD EDUCATIONAL TECHNOLOGY PROGRAM (IC 20-20-13)

Build Indiana Fund (IC 4-30-17)

Total Operating Expense	3,086,072	3,086,072
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The department shall use the funds to make grants to school corporations to promote student learning through the use of technology. Notwithstanding distribution guidelines in IC 20-20-13, the department shall develop guidelines for distribution of the grants. Up to \$250,000 may be used each year to support the operation of the office of the special assistant to the superintendent of public instruction for technology.



SCHOOL BUSINESS OFFICIALS LEADERSHIP ACADEMY

Total Operating Expense	150,000	150,000
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The department shall make available the above appropriations to the Indiana Association of School Business Officials to assist in the creation of an academy designed to strengthen the management and leadership skills of practicing Indiana school business officials.

PROFESSIONAL STANDARDS DIVISION

From the General Fund

2,009,257	2,009,257
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From the Professional Standards Fund (IC 20-28-2-10)

842,940	842,940
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Augmentation allowed from the professional standards fund.

The amounts specified from the General Fund and the Professional Standards Fund are for the following purposes:

Personal Services	1,137,050	1,137,050
Other Operating Expense	1,715,147	1,715,147

The above appropriations for the Professional Standards Division do not include funds to pay stipends for mentor teachers.

**FOR THE INDIANA PUBLIC RETIREMENT SYSTEM
TEACHERS' RETIREMENT FUND DISTRIBUTION**

Other Operating Expense	887,900,000	913,900,000
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Augmentation allowed.

The above appropriations include \$21,700,000 in each fiscal year to fund a thirteenth check. If the amount actually required under the pre-1996 account of the teachers' retirement fund for actual benefits for the Post Retirement Pension Increases that are funded on a "pay as you go" basis plus the base benefits under the pre-1996 account of the teachers' retirement fund is:

- (1) greater than the above appropriations for a year, after notice to the governor and the budget agency of the deficiency, the above appropriation for the year shall be augmented from the state general fund. Any augmentation shall be included in the required pension stabilization calculation under IC 5-10.4; or
- (2) less than the above appropriations for a year, the excess shall be retained in the state general fund. The portion of the benefit funded by the annuity account and the actuarially funded Post Retirement Pension Increases shall not be part of this calculation.

C. OTHER EDUCATION



FOR THE EDUCATION EMPLOYMENT RELATIONS BOARD

Personal Services	709,180	709,180
Other Operating Expense	257,305	257,305

FOR THE STATE LIBRARY

Personal Services	2,397,624	2,397,624
Other Operating Expense	203,611	203,611

STATEWIDE LIBRARY SERVICES

Total Operating Expense	1,274,428	1,274,428
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The above appropriations for statewide library services will be used to provide services to libraries across the state. These services may include, but will not be limited to, programs, including Wheels, I*Ask, and professional development. The state library shall identify statewide library services that are to be provided by a vendor. Those services identified by the library shall be procured through a competitive process using one (1) or more requests for proposals covering the service.

LIBRARY SERVICES FOR THE BLIND - ELECTRONIC NEWSLINES

Other Operating Expense	150,000	150,000
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ACADEMY OF SCIENCE

Total Operating Expense	7,046	7,046
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FOR THE ARTS COMMISSION

Personal Services	510,223	510,223
Other Operating Expense	3,489,777	3,489,777

The above appropriations to the arts commission includes \$650,000 each year to provide grants under IC 4-23-2.5 to:

- (1) the arts organizations that have most recently qualified for general operating support as major arts organizations as determined by the arts commission; and
- (2) the significant regional organizations that have most recently qualified for general operating support as mid-major arts organizations, as determined by the arts commission and its regional re-granting partners.

FOR THE HISTORICAL BUREAU

Personal Services	322,346	322,346
Other Operating Expense	1,674	1,674

HISTORICAL MARKER PROGRAM

Total Operating Expense	10,175	10,175
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SECTION 10. [EFFECTIVE JULY 1, 2017]

DISTRIBUTIONS

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**FOR THE AUDITOR OF STATE
GAMING TAX**

Total Operating Expense	66,328,183	66,328,183
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SECTION 11. [EFFECTIVE JULY 1, 2017]

The following allocations of federal funds are available for career and technical education under the Carl D. Perkins Career and Technical Education Act of 2006 (20 U.S.C. 2301 et seq. for Career and Technical Education). These funds shall be received by the state board of education, and may be allocated by the budget agency after consultation with the board of education and any other state agencies, commissions, or organizations required by state law. Funds shall be allocated to these agencies in accordance with the allocations specified below:

STATE PROGRAMS AND LEADERSHIP		
	1,878,242	1,878,242
SECONDARY VOCATIONAL PROGRAMS		
	15,796,838	15,796,838
POSTSECONDARY VOCATIONAL PROGRAMS		
	7,500,345	7,500,345

SECTION 12. [EFFECTIVE JULY 1, 2017]

In accordance with IC 20-20-38, the budget agency, with the advice of the board of education and the budget committee, may proportionately augment or reduce an allocation of federal funds made under SECTION 11 of this act.

SECTION 13. [EFFECTIVE JULY 1, 2017]

Utility bills for the month of June, travel claims covering the period June 16 to June 30, payroll for the period of the last half of June, any interdepartmental bills for supplies or services for the month of June, and any other miscellaneous expenses incurred during the period June 16 to June 30 shall be charged to the appropriation for the succeeding year. No interdepartmental bill shall be recorded as a refund of expenditure to any current year allotment account for supplies or services rendered or delivered at any time during the preceding June period.

SECTION 14. [EFFECTIVE JULY 1, 2017]

The budget agency, under IC 4-10-11, IC 4-12-1-13, and IC 4-13-1, in cooperation with the Indiana department of administration, may fix the amount of reimbursement for traveling expenses (other than transportation) for travel within the limits of Indiana. This amount may not exceed actual lodging and miscellaneous expenses incurred. A person in travel status, as defined by the state travel policies and procedures established



by the Indiana department of administration and the budget agency, is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service.

All appropriations provided by this act or any other statute, for traveling and hotel expenses for any department, officer, agent, employee, person, trustee, or commissioner, are to be used only for travel within the state of Indiana, unless those expenses are incurred in traveling outside the state of Indiana on trips that previously have received approval as required by the state travel policies and procedures established by the Indiana department of administration and the budget agency. With the required approval, a reimbursement for out-of-state travel expenses may be granted in an amount not to exceed actual lodging and miscellaneous expenses incurred. A person in travel status is entitled to a meal allowance not to exceed during any twenty-four (24) hour period the standard meal allowances established by the federal Internal Revenue Service for properly approved travel within the continental United States and a minimum of \$50 during any twenty-four (24) hour period for properly approved travel outside the continental United States. However, while traveling in Japan, the minimum meal allowance shall not be less than \$90 for any twenty-four (24) hour period. While traveling in Korea and Taiwan, the minimum meal allowance shall not be less than \$85 for any twenty-four (24) hour period. While traveling in Singapore, China, Great Britain, Germany, the Netherlands, and France, the minimum meal allowance shall not be less than \$65 for any twenty-four (24) hour period.

In the case of the state supported institutions of postsecondary education, approval for out-of-state travel may be given by the chief executive officer of the institution, or the chief executive officer's authorized designee, for the chief executive officer's respective personnel.

Before reimbursing overnight travel expenses, the auditor of state shall require documentation as prescribed in the state travel policies and procedures established by the Indiana department of administration and the budget agency. No appropriation from any fund may be construed as authorizing the payment of any sum in excess of the standard mileage rates for personally owned transportation equipment established by the federal Internal Revenue Service when used in the discharge of state business. The Indiana department of administration and the budget agency may adopt policies and procedures relative to the reimbursement of travel and moving expenses of new state employees and the reimbursement of travel expenses of prospective employees who are invited to interview with the state.

SECTION 15. [EFFECTIVE JULY 1, 2017]

Notwithstanding IC 4-10-11-2.1, the salary per diem of members of boards, commissions, and councils who are entitled to a salary per diem is equal to \$100 per day. However, members of boards, commissions, or councils who receive an annual or a monthly salary



paid by the state are not entitled to the salary per diem provided in IC 4-10-11-2.1.

SECTION 16. [EFFECTIVE JULY 1, 2017]

No payment for personal services shall be made by the auditor of state unless the payment has been approved by the budget agency or the designee of the budget agency.

SECTION 17. [EFFECTIVE JULY 1, 2017]

No warrant for operating expenses, capital outlay, or fixed charges shall be issued to any department or an institution unless the receipts of the department or institution have been deposited into the state treasury for the month. However, if a department or an institution has more than \$10,000 in daily receipts, the receipts shall be deposited into the state treasury daily.

SECTION 18. [EFFECTIVE JULY 1, 2017]

In case of loss by fire or any other cause involving any state institution or department, the proceeds derived from the settlement of any claim for the loss shall be deposited in the state treasury, and the amount deposited is hereby reappropriated to the institution or department for the purpose of replacing the loss. If it is determined that the loss shall not be replaced, any funds received from the settlement of a claim shall be deposited into the state general fund.

SECTION 19. [EFFECTIVE JULY 1, 2017]

If an agency has computer equipment in excess of the needs of that agency, then the excess computer equipment may be sold under the provisions of surplus property sales, and the proceeds of the sale or sales shall be deposited in the state treasury. The amount so deposited is hereby reappropriated to that agency for other operating expenses of the then current year, if approved by the director of the budget agency.

SECTION 20. [EFFECTIVE JULY 1, 2017]

This act does not authorize any rehabilitation and repairs to any state buildings, nor does it allow that any obligations be incurred for lands and structures, without the prior approval of the budget director or the director's designee. This SECTION does not apply to contracts for the state universities supported in whole or in part by state funds.

SECTION 21. [EFFECTIVE JULY 1, 2017]

If an agency has an annual appropriation fixed by law, and if the agency also receives an appropriation in this act for the same function or program, the appropriation in this act supersedes any other appropriations and is the total appropriation for the



agency for that program or function.

SECTION 22. [EFFECTIVE JULY 1, 2017]

The balance of any appropriation or funds heretofore placed or remaining to the credit of any division of the state of Indiana, and any appropriation or funds provided in this act placed to the credit of any division of the state of Indiana, the powers, duties, and functions whereof are assigned and transferred to any department for salaries, maintenance, operation, construction, or other expenses in the exercise of such powers, duties, and functions, shall be transferred to the credit of the department to which such assignment and transfer is made, and the same shall be available for the objects and purposes for which appropriated originally.

SECTION 23. [EFFECTIVE JULY 1, 2017]

The director of the division of procurement of the Indiana department of administration, or any other person or agency authorized to make purchases of equipment, shall not honor any requisition for the purchase of an automobile that is to be paid for from any appropriation made by this act or any other act, unless the following facts are shown to the satisfaction of the commissioner of the Indiana department of administration or the commissioner's designee:

- (1) In the case of an elected state officer, it shall be shown that the duties of the office require driving about the state of Indiana in the performance of official duty.**
- (2) In the case of department or commission heads, it shall be shown that the statutory duties imposed in the discharge of the office require traveling a greater distance than one thousand (1,000) miles each month or that they are subject to official duty call at all times.**
- (3) In the case of employees, it shall be shown that the major portion of the duties assigned to the employee require travel on state business in excess of one thousand (1,000) miles each month, or that the vehicle is identified by the agency as an integral part of the job assignment.**

In computing the number of miles required to be driven by a department head or an employee, the distance between the individual's home and office or designated official station is not to be considered as a part of the total. Department heads shall annually submit justification for the continued assignment of each vehicle in their department, which shall be reviewed by the commissioner of the Indiana department of administration, or the commissioner's designee. There shall be an insignia permanently affixed on each side of all state owned cars, designating the cars as being state owned. However, this requirement does not apply to state owned cars driven by elected state officials or to cases where the commissioner of the Indiana department of administration or the commissioner's designee determines that affixing insignia on state owned cars would hinder or handicap the persons driving the cars in the performance of their official duties.



SECTION 24. [EFFECTIVE JULY 1, 2017]

When budget agency approval or review is required under this act, the budget agency may refer to the budget committee any budgetary or fiscal matter for an advisory recommendation. The budget committee may hold hearings and take any actions authorized by IC 4-12-1-11, and may make an advisory recommendation to the budget agency.

SECTION 25. [EFFECTIVE JULY 1, 2017]

The governor of the state of Indiana is solely authorized to accept on behalf of the state any and all federal funds available to the state of Indiana. Federal funds received under this SECTION are appropriated for purposes specified by the federal government, subject to allotment by the budget agency. The provisions of this SECTION and all other SECTIONS concerning the acceptance, disbursement, review, and approval of any grant, loan, or gift made by the federal government or any other source to the state or its agencies and political subdivisions shall apply, notwithstanding any other law.

SECTION 26. [EFFECTIVE JULY 1, 2017]

Federal funds received as revenue by a state agency or department are not available to the agency or department for expenditure until allotment has been made by the budget agency under IC 4-12-1-12(d).

SECTION 27. [EFFECTIVE JULY 1, 2017]

A contract or an agreement for personal services or other services may not be entered into by any agency or department of state government without the approval of the budget agency or the designee of the budget director.

SECTION 28. [EFFECTIVE JULY 1, 2017]

Except in those cases where a specific appropriation has been made to cover the payments for any of the following, the auditor of state shall transfer, from the personal services appropriations for each of the various agencies and departments, necessary payments for Social Security, public employees' retirement, health insurance, life insurance, and any other similar payments directed by the budget agency.

SECTION 29. [EFFECTIVE JULY 1, 2017]

Subject to SECTION 24 of this act as it relates to the budget committee, the budget agency with the approval of the governor may withhold allotments of any or all appropriations contained in this act for the 2017-2019 biennium, if it is considered



necessary to do so in order to prevent a deficit financial situation.

SECTION 30. [EFFECTIVE JULY 1, 2017]

CONSTRUCTION

For the 2017-2019 biennium, the following amounts, from the funds listed as follows, are appropriated to provide for the construction, reconstruction, rehabilitation, repair, purchase, rental, and sale of state properties, capital lease rentals, and the purchase and sale of land, including equipment for these properties and other projects as specified.

State General Fund - Lease Rentals	
316,760,031	
State General Fund - Construction	
317,422,194	
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)	
24,863,180	
State Police Building Account (IC 9-14-14-4)	
3,327,000	
Law Enforcement Academy Fund (IC 5-2-1-13)	
1,495,000	
Cigarette Tax Fund (IC 6-7-1-28.1)	
3,600,000	
Veterans' Home Building Fund (IC 10-17-9-7)	
2,120,000	
Postwar Construction Fund (IC 7.1-4-8-1)	
39,614,795	
Build Indiana Fund (IC 4-30-17)	
5,600,000	
State Highway Fund (IC 8-23-9-54)	
25,000,000	
Airport Development Grant Fund (IC 8-21-11)	
4,000,000	
TOTAL	743,802,200

The allocations provided under this SECTION are made from the state general fund, unless specifically authorized from other designated funds by this act. The budget agency, with the approval of the governor, in approving the allocation of funds pursuant to this SECTION, shall consider, as funds are available, allocations for the following specific uses, purposes, and projects:

A. GENERAL GOVERNMENT



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
FOR THE STATE BUDGET AGENCY			
Airport Facilities Leases			29,548,602
Stadium Lease Rental			131,032,945
Convention Center Lease Rental			48,918,732
State Fair Lease Rental			8,536,075
Indiana Motorsports Commission			14,000,000
Northwest Indiana Reg. Dev. Authority	6,000,000	12,000,000	
White River State Park Commission			12,000,000
DEPARTMENT OF REVENUE			
Integrated Tax System	16,100,000	16,900,000	
DEPARTMENT OF ADMINISTRATION			
Preventive Maintenance			9,784,334
Repair and Rehabilitation			17,009,520
DEPARTMENT OF ADMINISTRATION - LEASES			
General Fund			
Wabash Valley Correctional Facility Capital Lease			41,782,754
New Castle Correctional Facility Capital Lease			24,940,923
Tobacco Master Settlement Agreement Fund (IC 4-12-1-14.3)			
Evansville State Hospital Capital Lease			7,841,050
Southeast Regional Treatment Center Capital Lease			10,856,282
Logansport State Hospital Capital Lease			6,165,848
STATE LIBRARY			
Repair and Rehabilitation			1,404,000
INDIANA STATE FAIR			
Repair and Rehabilitation			4,000,000
 B. PUBLIC SAFETY			
 (1) LAW ENFORCEMENT			
 INDIANA STATE POLICE			
General Fund			
State Police Lab			30,000,000
Preventive Maintenance			1,266,998
State Police Building Account (IC 9-14-14-4)			
Repair and Rehabilitation			3,327,000
FORENSIC LAB			
Repair and Rehabilitation			3,092,760
LAW ENFORCEMENT TRAINING BOARD			
Law Enforcement Academy Fund (IC 5-2-1-13)			
Preventive Maintenance			400,000
Repair and Rehabilitation			1,095,000
ADJUTANT GENERAL			
Preventive Maintenance			1,660,500
Repair and Rehabilitation			4,259,150

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(2) CORRECTIONS

DEPARTMENT OF CORRECTION		
Preventive Maintenance		100,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		1,150,000
STATE PRISON		
Preventive Maintenance		1,100,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		4,150,000
PENDLETON CORRECTIONAL FACILITY		
Preventive Maintenance		1,300,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		500,000
WOMEN'S PRISON		
Preventive Maintenance		360,000
NEW CASTLE CORRECTIONAL FACILITY		
Preventive Maintenance		150,000
PUTNAMVILLE CORRECTIONAL FACILITY		
Preventive Maintenance		800,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		3,830,000
INDIANAPOLIS RE-ENTRY EDUCATION FACILITY		
Preventive Maintenance		360,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		160,000
BRANCHVILLE CORRECTIONAL FACILITY		
Preventive Maintenance		360,000
WESTVILLE CORRECTIONAL FACILITY		
Preventive Maintenance		1,040,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		850,000
ROCKVILLE CORRECTIONAL FACILITY		
Preventive Maintenance		500,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		2,227,440
PLAINFIELD CORRECTIONAL FACILITY		
Preventive Maintenance		950,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		3,840,000
RECEPTION AND DIAGNOSTIC CENTER		
Preventive Maintenance		210,000
Postwar Construction Fund (IC 7.1-4-8-1)		
Repair and Rehabilitation		250,000

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CORRECTIONAL INDUSTRIAL FACILITY	
Preventive Maintenance	600,000
Postwar Construction Fund (IC 7.1-4-8-1)	
Repair and Rehabilitation	1,750,000
WABASH VALLEY CORRECTIONAL FACILITY	
Preventive Maintenance	527,354
CHAIN O' LAKES CORRECTIONAL FACILITY	
Preventive Maintenance	90,000
MADISON CORRECTIONAL FACILITY	
Preventive Maintenance	315,000
Postwar Construction Fund (IC 7.1-4-8-1)	
Repair and Rehabilitation	450,000
MIAMI CORRECTIONAL FACILITY	
Preventive Maintenance	900,000
CAMP SUMMIT CORRECTIONAL FACILITY	
Preventive Maintenance	80,000
Postwar Construction Fund (IC 7.1-4-8-1)	
Repair and Rehabilitation	350,000
EDINBURGH CORRECTIONAL FACILITY	
Preventive Maintenance	80,000
PENDLETON JUVENILE CORRECTIONAL FACILITY	
Preventive Maintenance	300,000
Postwar Construction Fund (IC 7.1-4-8-1)	
Repair and Rehabilitation	2,192,256
NORTH CENTRAL JUVENILE CORRECTIONAL FACILITY	
Preventive Maintenance	120,000
MADISON JUVENILE CORRECTIONAL FACILITY	
Preventive Maintenance	435,000

C. CONSERVATION AND ENVIRONMENT

DEPARTMENT OF NATURAL RESOURCES - GENERAL ADMINISTRATION	
Preventive Maintenance	100,000
Repair and Rehabilitation	592,290
FISH AND WILDLIFE	
Preventive Maintenance	3,100,000
Repair and Rehabilitation	923,625
FORESTRY	
Preventive Maintenance	3,050,000
Repair and Rehabilitation	1,800,000
NATURE PRESERVES	
Preventive Maintenance	1,173,228
Repair and Rehabilitation	607,769
OUTDOOR RECREATION	
Preventive Maintenance	70,000



	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Repair and Rehabilitation			350,000
STATE PARKS AND RESERVOIR MANAGEMENT			
Preventive Maintenance			4,343,358
Repair and Rehabilitation			14,461,524
Ouabache State Park Fire Tower Repair			100,000
Deferred Maintenance			3,900,000
Cigarette Tax Fund (IC 6-7-1-28.1)			
Preventive Maintenance			3,600,000
DIVISION OF WATER			
Preventive Maintenance			167,000
Repair and Rehabilitation			2,814,836
ENFORCEMENT			
Preventive Maintenance			540,000
Repair and Rehabilitation			206,050
ENTOMOLOGY			
Preventive Maintenance			275,000
INDIANA STATE MUSEUM AND HISTORIC SITES CORPORATION			
Preventive Maintenance			2,273,767
Repair and Rehabilitation			4,000,000
Bicentennial Match			2,000,000
WAR MEMORIALS COMMISSION			
Preventive Maintenance			1,234,000
Repair and Rehabilitation			4,992,625
KANKAKEE RIVER BASIN COMMISSION			
Build Indiana Fund (IC 4-30-17)			
Repair and Rehabilitation			600,000

The above appropriation to the Kankakee River Basin Commission requires a 25% match of local dollars before the funds may be disbursed.

MAUMEE RIVER BASIN COMMISSION

 Build Indiana Fund (IC 4-30-17)

 Repair and Rehabilitation 1,000,000

The above appropriation to the Maumee River Basin Commission requires a 25% match of local dollars before the funds may be disbursed.

D. TRANSPORTATION

DEPARTMENT OF TRANSPORTATION - BUILDINGS AND GROUNDS

 State Highway Fund (IC 8-23-9-54)

 Preventive Maintenance 7,500,000

 Architectural/Engineering Fee Crawfordsville Sub and Salt Building 490,000

 Brookville Unit and Crawfordsville Sub land purchases 500,000

 Construction of the Oakland City Unit Building 2,750,000

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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Construction of the Oakland City Unit Salt Building			1,450,000
Construction of Logansport Unit Building			2,750,000
Materials and Test Phase 1			2,760,000
Land Purchases Kokomo Unit Building			300,000
Construction of the Crawfordsville Sub Building			6,500,000

AIRPORT DEVELOPMENT

Build Indiana Fund (IC 4-30-17)			
Airport Development			4,000,000
Airport Development Grant Fund (IC 8-21-11)			
Airport Development			4,000,000
Augmentation allowed.			

The above appropriations for the Indiana department of transportation are for airport development and shall be used for the purpose of assisting local airport authorities and local units of government in matching available federal funds under the airport improvement program and for matching federal grants for airport planning and for the other airport studies. Matching grants of aid shall be made in accordance with the approved annual capital improvements program of the Indiana department of transportation and with the approval of the governor and the budget agency.

E. FAMILY AND SOCIAL SERVICES, HEALTH, AND VETERANS' AFFAIRS

(1) FAMILY AND SOCIAL SERVICES ADMINISTRATION

EVANSVILLE PSYCHIATRIC CHILDREN'S CENTER

Preventive Maintenance			66,000
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			268,680

EVANSVILLE STATE HOSPITAL

Preventive Maintenance			783,924
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MADISON STATE HOSPITAL

Preventive Maintenance			928,208
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			1,944,438

LOGANSPORT STATE HOSPITAL

Preventive Maintenance			863,144
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			5,895,500

RICHMOND STATE HOSPITAL

Preventive Maintenance			1,100,000
Postwar Construction Fund (IC 7.1-4-8-1)			
Repair and Rehabilitation			677,300

LARUE CARTER MEMORIAL HOSPITAL

Preventive Maintenance			1,833,118
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NEURO DIAGNOSTIC INSTITUTE

Preventive Maintenance	100,000
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(2) PUBLIC HEALTH

SCHOOL FOR THE BLIND AND VISUALLY IMPAIRED

Preventive Maintenance	565,714
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Postwar Construction Fund (IC 7.1-4-8-1) Repair and Rehabilitation	4,363,626
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SCHOOL FOR THE DEAF

Preventive Maintenance	565,714
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Postwar Construction Fund (IC 7.1-4-8-1) Repair and Rehabilitation	4,765,555
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(3) VETERANS' AFFAIRS

INDIANA VETERANS' HOME

Veterans' Home Building Fund (IC 10-17-9-7) Preventive Maintenance	1,500,000
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Repair and Rehabilitation	620,000
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F. EDUCATION

HIGHER EDUCATION

INDIANA UNIVERSITY - TOTAL SYSTEM

Repair and Rehabilitation		26,257,406
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IUPUI Sports Development Plan Study	3,000,000	0
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Regional Campus Deferred Maintenance	3,750,000	6,000,000
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IU Fort Wayne Health Sciences	2,850,000	0
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PURDUE UNIVERSITY - TOTAL SYSTEM

Repair and Rehabilitation		22,502,556
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Regional Deferred Maintenance	1,500,000	2,000,000
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IPFW School of Music	1,000,000	0
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INDIANA STATE UNIVERSITY

Repair and Rehabilitation		2,782,568
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Academic Facility Renovation - Phase I		15,000,000
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UNIVERSITY OF SOUTHERN INDIANA

Repair and Rehabilitation		1,862,672
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BALL STATE UNIVERSITY

Repair and Rehabilitation		5,430,972
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VINCENNES UNIVERSITY

Repair and Rehabilitation		1,813,204
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Learning Resource Center Renovation		8,000,000
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Davis Hall & Business Building Renovation		9,500,000
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	<i>FY 2017-2018 Appropriation</i>	<i>FY 2018-2019 Appropriation</i>	<i>Biennial Appropriation</i>
Welsh Administration Building Renovation			4,500,000
Diesel Technology			2,000,000
IVY TECH COMMUNITY COLLEGE			
Repair and Rehabilitation			6,637,306
Fort Wayne Harshman Hall Renovation	3,000,000	0	

SECTION 31. [EFFECTIVE JULY 1, 2017]

The budget agency may employ one (1) or more architects or engineers to inspect construction, rehabilitation, and repair projects covered by the appropriations in this act or previous acts.

SECTION 32. [EFFECTIVE UPON PASSAGE]

If any part of a construction or rehabilitation and repair appropriation made by this act or any previous acts has not been allotted or encumbered before the expiration of two (2) biennia, the budget agency may determine that the balance of the appropriation is not available for allotment. The appropriation may be terminated, and the balance may revert to the fund from which the original appropriation was made.

SECTION 33. [EFFECTIVE JULY 1, 2017]

The budget agency may retain balances in the mental health fund at the end of any fiscal year to ensure there are sufficient funds to meet the service needs of the developmentally disabled and the mentally ill in any year.

SECTION 34. [EFFECTIVE JULY 1, 2017]

If the budget director determines at any time during the biennium that the executive branch of state government cannot meet its statutory obligations due to insufficient funds in the general fund, then notwithstanding IC 4-10-18, the budget agency, with the approval of the governor and after review by the budget committee, may transfer from the counter-cyclical revenue and economic stabilization fund to the general fund any additional amount necessary to maintain a positive balance in the general fund.

SECTION 35. IC 2-5-1.1-6.5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Sec. 6.5. (a) As used in this section, "agency" includes an agency, an authority, a board, a bureau, a commission, a committee, a department, a division, an institution, or other similar entity created or established by law.

(b) The council shall, upon consultation with the governor's office, develop an annual report format taking into consideration, among other things, program budgeting, with the final format to be determined



by the council. The format may be distributed to any agency. ~~(as defined in IC 2-5-21-1)~~. The agency shall complete and return a copy in an electronic format under IC 5-14-6 to the legislative council before September 1 of each year for the preceding fiscal year.

~~(b)~~ **(c)** The council shall distribute one (1) copy to the governor's office, one (1) copy to the budget agency, and three (3) copies to the state library.

~~(c)~~ **(d)** The reports are a public record and are open to inspection.

SECTION 36. IC 2-5-21 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Legislative Evaluation and Oversight of Agencies and Programs).

SECTION 37. IC 4-6-3-2.3 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2017]: **Sec. 2.3. When the attorney general proposes language to a court or settlement committee for the purpose of a court order, the attorney general shall include language specifically permitting settlement funds to be used for any purpose allowable under state law.**

SECTION 38. IC 4-10-18-9 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. If the total state general fund revenues for a state fiscal year, in which a transfer into the fund is made, are less than the level estimated in the budget report prepared in accord with IC 4-12-1-12(a) or ~~(c)~~ **IC 4-12-1-12(c)** and the shortfall cannot be attributed to a statutory change in the tax rate, the tax base, the fee schedules, or the revenue sources from which the general fund revenue estimate was made, ~~there is appropriated the budget director, with the approval of the governor, may transfer~~ from the fund to the state general fund an amount that may not exceed ~~the lesser of the following two (2) amounts:~~

~~(1) the amount that was transferred into the fund during that state fiscal year. or~~

~~(2) the amount necessary to balance the general fund general operating budget for that state fiscal year.~~

SECTION 39. IC 4-12-16 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2017]:

Chapter 16. Agency Settlement Fund

Sec. 1. As used in this chapter, "fund" refers to the agency settlement fund established by section 2 of this chapter.

Sec. 2. The agency settlement fund is established for the purposes of receiving the funds described in section 3(a) of this chapter.

Sec. 3. (a) The fund consists of:

(1) except as provided in subsections (b) and (c), all funds received by the state under:

(A) multistate and Indiana specific settlements;

(B) assurances of voluntary compliance accepted by the attorney general; and

(C) any other form of agreement that:

(i) is enforceable by a court; and

(ii) settles litigation between the state and another party;

(2) all federal funds described in IC 4-6-9-7; and

(3) all money recovered as court costs or costs related to litigation.

(b) Any amount of restitution that is:

(1) awarded to an individual or institution under a consumer settlement or assurance of voluntary compliance;

(2) received by a state agency; and

(3) determined to be abandoned property under IC 32-34-1;



must be deposited in the abandoned property fund established by IC 32-34-1-33.

(c) The fund does not include the following:

- (1) Funds received by the state department of revenue.
- (2) Funds required to be deposited in the securities division enforcement account (IC 23-19-6-1).
- (3) Funds received as the result of a civil forfeiture under IC 34-24-1.
- (4) Funds received as a civil penalty or as part of an enforcement or collection action by an agency authorized to impose a civil penalty or engage in an enforcement or collection action, if the funds are required to be deposited in the general fund or another fund by statute.

Sec. 4. The fund shall be administered by the budget agency.

Sec. 5. (a) A state agency may use the money in the fund after appropriation of the money in the fund by the general assembly.

(b) A state agency may, not later than November 1 of each even-numbered calendar year, submit to the budget committee and the legislative council in an electronic format under IC 5-14-6 a list of proposed projects, including the estimated cost of each project, for consideration of the general assembly in making appropriations during the biennial budget process.

(c) The proceeds of a particular settlement, assurance of voluntary compliance, or other form of agreement that are deposited in the fund must be used by the state agency according to any court order that applies to the settlement, assurance of voluntary compliance, or other form of agreement.

Sec. 6. The expenses of administering the fund shall be paid from money in the fund.

Sec. 7. The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public money may be invested. Interest that accrues from these investments shall be deposited in the fund.

Sec. 8. Money in the fund at the end of a state fiscal year does not revert to the state general fund.

SECTION 40. IC 4-12-17 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JUNE 30, 2017]:

Chapter 17. Personal Services/Fringe Benefits Contingency Fund

Sec. 1. (a) The personal services/fringe benefits contingency fund is established for the purpose of allotting money to departments, institutions, and state agencies for the purposes set forth in subsection (b). The fund consists of money appropriated to the fund by the general assembly. The budget agency shall administer the fund.

(b) Money in the fund may be used only with the approval of the governor for:

- (1) salary increases;
- (2) fringe benefit increases;
- (3) an employee leave conversion program;
- (4) state retiree health programs; and
- (5) any related expenses.

(c) Money in the fund at the end of a state fiscal year does not revert to the state general fund but remains available for expenditure.

(d) Notwithstanding IC 4-9.1-1-7, IC 4-13-2-23, or any other law, money may not be transferred, assigned, reassigned, or otherwise removed from the fund by the state board of finance, the budget agency, or any other state agency, except for the purposes specified in this section.



SECTION 41. IC 4-31-3-10 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 10. (a) The commission shall appoint a director and an assistant director who serve at the pleasure of the commission. The director and the assistant director must have a background in the horse industry, a high level of management skills, and previous experience with pari-mutuel horse betting administration.

(b) The director and the assistant director shall:

- (1) attend all meetings of the commission;
- (2) keep a complete record of the commission's proceedings;
- (3) preserve at the commission's office all documents entrusted to the commission's care; and
- (4) perform other duties the commission prescribes.

(c) **The director may do the following:**

- (1) Negotiate an interstate compact that enables party states to act jointly and cooperatively to create more uniform, effective, and efficient practices, programs, and rules concerning horse racing and pari-mutuel wagering on horse racing in the party states.**
- (2) Represent Indiana on a commission to negotiate an interstate compact described in subdivision (1).**

SECTION 42. IC 4-31-11-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 13. The auditor of state and treasurer of state shall make payments from the development funds upon order of the commission. **Money in each fund is continuously appropriated to make these payments.** However, the auditor of state and treasurer of state may not transfer money from one (1) development fund to another development fund.

SECTION 43. IC 4-35-8.7-3, AS AMENDED BY P.L.149-2016, SECTION 15, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The gaming integrity fund is established.

(b) The fund shall be administered by the Indiana horse racing commission.

(c) The fund consists of gaming integrity fees deposited in the fund under this chapter and money distributed to the fund under IC 4-35-7-12.5 and IC 4-35-7-15. Fifteen percent (15%) of the money deposited in the fund shall be transferred to the Indiana state board of animal health to be used by the state board to pay the costs associated with equine health and equine care programs under IC 15-17.

(d) The treasurer of state shall invest the money in the fund not currently needed to meet the obligations of the fund in the same manner as other public funds may be invested.

(e) Money in the fund at the end of a state fiscal year does not revert to the state general fund.

(f) Money in the fund may be used by the Indiana horse racing commission only for the following purposes:

- (1) To pay the cost of taking and analyzing equine specimens under IC 4-31-12-6(b) or another law or rule and the cost of any supplies related to the taking or analysis of specimens.
- (2) To pay dues to the Drug Testing Standards and Practices (DTSP) Committee of the Association of Racing Commissioners International.
- (3) To provide grants for research for the advancement of equine drug testing. Grants under this subdivision must be approved by the Drug Testing Standards and Practices (DTSP) Committee of the Association of Racing Commissioners International or by the Racing Mediation and Testing Consortium.
- (4) To pay the costs of post-mortem examinations under IC 4-31-12-10.
- (5) To pay other costs incurred by the commission to maintain the integrity of pari-mutuel racing.

(g) Money in the fund is continuously appropriated to the Indiana horse racing commission to carry out the purposes described in subsection (f).



SECTION 44. IC 5-2-1-13 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 13. (a) There is created a ~~continuing~~ fund ~~which shall be~~ known as the law enforcement academy ~~building~~ fund. The fund consists of amounts deposited under IC 33-37-7-9. This fund may be used by the board **for the following:**

- (1) To acquire for the state ~~of Indiana~~ land and interests in and to land, and to construct upon such land a fully equipped law enforcement academy to consist of classrooms, housing facilities, a cafeteria, firearms ranges, a driving course, and other physical facilities which are deemed necessary in the discretion of the board for the basic, inservice, and advanced training of law enforcement officers in the skills and techniques of law enforcement. ~~Any balance of the fund that is unexpended at the end of any fiscal year shall not revert to the general fund but shall be carried forward as an appropriation for the next fiscal year.~~
- (2) Expenditures may be made by the board for, among other things, all expenses required for land acquisition and transfer, including but not limited to personal services, appraisers fees, and the cost of acquiring any interest in land and the construction and maintenance of improvements thereon.
- (3) **Building and grounds maintenance for the law enforcement academy.**
- (4) **Training equipment and supplies necessary to operate the law enforcement academy.**
- (5) **Aid to approved law enforcement training schools certified as having met or exceeded the minimum standards established by the board.**
- (6) **Personal services, as authorized by the board, with the approval of the governor.**
- (7) **Any other purpose necessary to carry out this chapter, as determined by the board.**

(b) The budget agency may, with the approval of the board and the governor, make allocations and transfers of funds appropriated by the general assembly to state agencies having jurisdiction and control over land acquired by the board for the purposes stated ~~herein~~, **in this section**, except that ~~such these~~ allocations and transfers ~~shall may~~ not be made in the acquisition of land which has been declared surplus land of the state pursuant to statute.

(c) The board is ~~hereby~~ further authorized to acquire ~~said~~ land **for the purposes of this section** and law enforcement academy buildings by gift, donation, bequest, devise, exchange, purchase, or eminent domain, or other means. However, any money or proceeds from gifts, bequests, grants, or other donations shall be deposited in a special donation fund, which is ~~hereby~~ **must be** established for the purposes ~~outlined described~~ in this section, for the use of the board to accomplish ~~said~~ **the purposes of this section**. No part of ~~said~~ **the** special donation fund ~~shall revert~~ **reverts** to the general fund of the state unless specified by the donor as a condition to ~~his~~ **the donor's** gift. All land and academy buildings, however acquired, ~~shall~~ become the property of the state.

(b) There is created a continuing fund which shall be known as the law enforcement training fund. The fund consists of amounts deposited under IC 33-37-7-9. The board is further authorized to accept gifts and grants of money, services, or property to supplement the law enforcement training fund and to use the same for any purpose consistent with the authorized uses of said fund. This fund may be used by the board for the following purposes:

- (1) Building and grounds maintenance for the law enforcement academy.
- (2) Training equipment and supplies necessary to operate the law enforcement academy.
- (3) Aid to approved law enforcement training schools certified as having met or exceeded the minimum standards established by the board.
- (4) Personal services, as authorized by the board with the approval of the governor.
- (5) Any other purpose necessary to carry out the provisions of this chapter, as determined by the



board.

SECTION 45. IC 5-2-1-15, AS AMENDED BY P.L.2-2007, SECTION 74, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) The facilities of the law enforcement academy shall be available to any law enforcement agency of the state, or any of its political subdivisions, subject to the rules of the board.

(b) Any law enforcement agency of the state, any of its political subdivisions, or any board certified training center may conduct training:

- (1) for the law enforcement agency of any political subdivision in Indiana; and
- (2) in facilities other than those of the law enforcement academy;

if the minimum standards established by the board are met or exceeded.

(c) A law enforcement agency or a board certified training center conducting approved local training under subsection (b) ~~shall~~ **may** be entitled to a per capita allowance from the law enforcement training fund to defray such portions of the cost of basic training as shall be approved by the board. Such per capita allowance shall be earmarked and expended only for law enforcement training.

(d) The facilities of the law enforcement academy shall be available for the training of railroad police, prison and industrial plant guards, postsecondary educational institution safety and security personnel, whether public or private, **for the training of any law enforcement agency from outside Indiana, and for the training of** such other enforcement related groups as shall be approved by the board, upon terms and conditions established by the board. Railroad police, **any law enforcement agency from outside Indiana,** and nongovernmental enforcement related groups qualifying to use the facilities of the academy under the rules of the board shall be required to reimburse the law enforcement training fund for the cost of such training.

(e) The facilities of the law enforcement academy may be used for the training of firefighting personnel where the subject matter of the training relates to duties which involve law enforcement related conduct. Such training shall be conducted upon terms and conditions established by the board. However, no volunteer firefighter is required to attend training at the academy.

(f) The cost of the mandatory basic training conducted by the board at the facilities of the law enforcement academy ~~shall be paid out of the law enforcement training fund; if the trainees have been previously appointed and are on the payroll of a law enforcement department or agency;~~ **and** all other training programs authorized by this chapter and conducted at the law enforcement training academy, including the mandatory basic training course when attended by trainees who have been investigated and approved but not yet hired by a law enforcement agency, are subject to fee schedules and charges for tuition, lodging, meals, instructors, training materials, and any other items or services established by the board, **including amounts needed to recoup corresponding marginal and fixed costs. The costs and the fee schedule must be an annual schedule for the state fiscal year and must be approved by the budget director.**

SECTION 46. IC 5-2-8-1, AS AMENDED BY P.L.164-2014, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The following definitions apply in this section:

(1) "Abuse" means:

- (A) conduct that causes bodily injury (as defined in IC 35-31.5-2-29) or damage to property; or
- (B) a threat of conduct that would cause bodily injury (as defined in IC 35-31.5-2-29) or damage to property.

(2) "County law enforcement agency" includes:

- (A) postsecondary educational institution police officers appointed under IC 21-17-5 or



IC 21-39-4; and

(B) school corporation police officers appointed under IC 20-26-16.

(b) There is established in each county a county law enforcement continuing education program. The program is funded by amounts appropriated under IC 33-37-8-4 or IC 33-37-8-6.

(c) A county law enforcement agency receiving amounts based upon claims for law enforcement continuing education funds under IC 33-37-8-4 or IC 33-37-8-6 shall deposit each fee collected into the county law enforcement continuing education fund.

(d) Distribution of money in the county law enforcement continuing education fund shall be made to a county law enforcement agency without the necessity of first obtaining an appropriation from the county fiscal body.

(e) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in a county law enforcement continuing education fund for at least one (1) entire calendar year from the date of its deposit shall, at the end of a county's fiscal year, be deposited by the county auditor in the law enforcement **training academy** fund established under ~~IC 5-2-1-13(b)~~. **IC 5-2-1-13.**

(f) To make a claim under IC 33-37-8-6, a law enforcement agency shall submit to the fiscal body a verified statement of cause numbers for fees collected that are attributable to the law enforcement efforts of that agency.

(g) A law enforcement agency shall submit a claim for fees under this section in the same county fiscal year in which the fees are collected under IC 33-37-4.

(h) A county law enforcement agency program shall provide to each law enforcement officer employed by the county and may provide to each law enforcement officer employed by a city or town law enforcement agency within the county continuing education concerning the following:

- (1) Duties of a law enforcement officer in enforcing restraining orders, protective orders, temporary injunctions, and permanent injunctions involving abuse.
- (2) Guidelines for making felony and misdemeanor arrests in cases involving abuse.
- (3) Techniques for handling incidents of abuse that:
 - (A) minimize the likelihood of injury to the law enforcement officer; and
 - (B) promote the safety of a victim.
- (4) Information about the nature and extent of abuse.
- (5) Information about the legal rights of and remedies available to victims of abuse, including the U nonimmigrant visa created under the federal Victims of Trafficking and Violence Protection Act of 2000 (P.L. 106-386).
- (6) How to document and collect evidence in an abuse case.
- (7) The legal consequences of abuse.
- (8) The impact on children of law enforcement intervention in abuse cases.
- (9) Services and facilities available to victims of abuse and abusers.
- (10) Verification of restraining orders, protective orders, temporary injunctions, and permanent injunctions.
- (11) Policies concerning arrest or release of suspects in abuse cases.
- (12) Emergency assistance to victims of abuse and criminal justice options for victims of abuse.
- (13) Landlord-tenant concerns in abuse cases.
- (14) The taking of an abused child into protective custody.
- (15) Assessment of a situation in which a child may be seriously endangered if the child is left in the child's home.

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- (16) Assessment of a situation involving an endangered adult (as defined in IC 12-10-3-2).
- (17) Response to a sudden, unexpected infant death.
- (18) Performing cardiopulmonary resuscitation and the Heimlich maneuver.
- (19) Cultural diversity awareness that includes an understanding of cultural issues related to race, religion, gender, age, domestic violence, national origin, and physical and mental disabilities.
- (i) A county law enforcement agency may enter into an agreement with other law enforcement agencies to provide the continuing education required by this section and section 2(f) of this chapter.

SECTION 47. IC 5-2-8-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
 Sec. 5. (a) There is established the state police training fund. The fund consists of amounts collected under IC 33-37-4-1(b)(4), IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the state police department.

(b) If the state police department files a claim under IC 33-37-8-4 or IC 33-37-8-6 against a city or town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county auditor shall deposit fees collected under the cause numbers submitted by the state police department into the state police training fund established under this section.

(c) Claims against the state police training fund must be submitted in accordance with IC 5-11-10.

(d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the state police training fund for at least one (1) entire calendar year from the date of its deposit shall, at the end of the state's fiscal year, be deposited in the law enforcement **training academy** fund established under ~~IC 5-2-1-13(b)~~; **IC 5-2-1-13**.

(e) As used in this subsection, "abuse" has the meaning set forth in section 1(a) of this chapter. As a part of the state police department's in-service training, the department shall provide to each law enforcement officer employed by the department continuing education concerning the following:

- (1) Duties of a law enforcement officer in enforcing restraining orders, protective orders, temporary injunctions, and permanent injunctions involving abuse.
- (2) Guidelines for making felony and misdemeanor arrests in cases involving abuse.
- (3) Techniques for handling incidents of abuse that:
 - (A) minimize the likelihood of injury to the law enforcement officer; and
 - (B) promote the safety of a victim.
- (4) Information about the nature and extent of the abuse.
- (5) Information about the legal rights of and remedies available to victims of abuse.
- (6) How to document and collect evidence in an abuse case.
- (7) The legal consequences of abuse.
- (8) The impact on children of law enforcement intervention in abuse cases.
- (9) Services and facilities available to victims of abuse and abusers.
- (10) Verification of restraining orders, protective orders, temporary injunctions, and permanent injunctions.
- (11) Policies concerning arrest or release of suspects in abuse cases.
- (12) Emergency assistance to victims of abuse and criminal justice options for victims of abuse.
- (13) Landlord-tenant concerns in abuse cases.
- (14) The taking of an abused child into protective custody.
- (15) Assessment of a situation in which a child may be seriously endangered if the child is left in the child's home.
- (16) Assessment of a situation involving an endangered adult (as defined in IC 12-10-3-2).



(17) Response to a sudden, unexpected infant death.

The cost of providing continuing education under this subsection shall be paid from money in the state police training fund.

SECTION 48. IC 5-2-8-7 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 7. (a) There is established the conservation officers training fund. The department of natural resources shall administer the fund. The fund consists of amounts collected under IC 33-37-4-1(b)(4), IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the department of natural resources.

(b) If the department of natural resources files a claim under IC 33-37-8-4 or IC 33-37-8-6 against a city or town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county auditor shall deposit fees collected under the cause numbers submitted by the department of natural resources into the conservation officers training fund established under this section.

(c) Claims against the conservation officers training fund must be submitted in accordance with IC 5-11-10.

(d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the conservation officers' training fund for at least one (1) entire calendar year from the date of its deposit shall, at the end of the state's fiscal year, be deposited in the law enforcement ~~training~~ **academy** fund established under ~~IC 5-2-1-13(b)~~; **IC 5-2-1-13**.

SECTION 49. IC 5-2-8-8 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:
Sec. 8. (a) There is established the alcoholic beverage enforcement officers' training fund. The alcohol and tobacco commission shall administer the fund. The fund consists of amounts collected under IC 33-37-4-1(b)(4), IC 33-37-4-2(b)(3), and IC 33-37-4-3(b)(4) on behalf of the alcohol and tobacco commission.

(b) If the alcohol and tobacco commission files a claim under IC 33-37-8-4 or IC 33-37-8-6 against a city or town user fee fund or a county user fee fund, the fiscal officer of the city or town or the county auditor shall deposit fees collected under the cause numbers submitted by the alcohol and tobacco commission into the alcoholic beverage enforcement officers' training fund established under this section.

(c) Claims against the alcoholic beverage enforcement officers' training fund must be submitted in accordance with IC 5-11-10.

(d) Money in excess of one hundred dollars (\$100) that is unencumbered and remains in the alcoholic beverage enforcement officers' training fund for at least one (1) entire calendar year from the date of its deposit shall, at the end of the state's fiscal year, be deposited in the law enforcement ~~training~~ **academy** fund established under ~~IC 5-2-1-13(b)~~; **IC 5-2-1-13**.

SECTION 50. IC 5-10-0.5-1, AS AMENDED BY P.L.35-2012, SECTION 20, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The prohibitions of Article 11, Section 12 of the Constitution of the State of Indiana do not apply to:

- (1) the public employees' retirement fund (IC 5-10.3);
- (2) the Indiana state teachers' retirement fund (IC 5-10.4);
- (3) the Indiana state police pre-1987 benefit system (IC 10-12-3);
- (4) the Indiana state police 1987 benefit system (IC 10-12-4); ~~or~~
- (5) any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system; **or**
- (6) any trust fund established for common and unified plans of self-insurance under IC 5-10-8-6 and IC 5-10-8-7(i).**

(b) Investments of the funds listed in subsection (a) are subject to the following limitations and



regulations:

- (1) Investments of the public employees' retirement fund and any other public pension or employee retirement fund administered by the board of trustees of the Indiana public retirement system are subject to IC 5-10.3-5-3, including P.L.37-1996, and IC 5-10.5-5.
- (2) Investments of the Indiana state teachers' retirement fund are subject to IC 5-10.4-3-10 and IC 5-10.5-5.
- (3) Investments of the Indiana state police benefit system are subject to IC 10-12-2-2.
- (4) Investments of any trust fund established for common and unified plans of self-insurance under IC 5-10-8-6 and IC 5-10-8-7(i) are subject to IC 5-10-8-6 and IC 5-10-8-7(i).**

SECTION 51. IC 5-10-1.1-4.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 4.5. (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b).**

(b) After December 31, 2017, the deferred compensation committee shall establish and maintain:

- (1) an investment product for the state employees' deferred compensation plan; and**
- (2) a funding offering for the defined contribution plan established under section 1.5 of this chapter;**

named the next level Indiana innovation and entrepreneurial fund. The deferred compensation committee shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the board of trustees of the Indiana public retirement system established under IC 5-10.5-3-1 in establishing the investment objectives and policies for the next level Indiana fund. Not more than twenty-five million dollars (\$25,000,000) of the assets of the next level Indiana fund may be invested in any one (1) particular investment fund or investment firm.

(c) The following apply to a state employee who selects the next level Indiana fund:

- (1) The state employee's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the state employee's account in the state employees' deferred compensation plan, as of the day before the effective date of the state employee's selection of the next level Indiana fund.**
- (2) After the state employee's initial transfer into the next level Indiana fund, contributions made by the state employee, or on the state employee's behalf, into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the state employee's account in the state employees' deferred compensation plan for that year.**
- (3) If a state employee:**

(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan for at least thirty-six (36) consecutive months; and

(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;

the state shall contribute on the state employee's behalf to the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that thirty-six (36) month period.

(4) After the period described in subdivision (3), for each additional twelve (12) consecutive



months that a state employee:

(A) contributes not less than the amount the state employee initially designated to the next level Indiana fund in the state employees' deferred compensation plan; and

(B) maintains in the next level Indiana fund in the state employees' deferred compensation plan the amounts transferred and contributed during that period;

the state shall contribute on the state employees' behalf to the next level Indiana fund offering in the defined contribution plan established under section 1.5 of this chapter as a match ten percent (10%) of the total amount contributed by the state employee or on the state employee's behalf to the next level Indiana fund in the state employees' deferred compensation plan during that twelve (12) month period. In determining the state's match under this subdivision, the total amount contributed by the state employee or on the state employee's behalf excludes the amount of any state match under this subdivision or subdivision (3).

(d) The state match under this section shall be paid from the personal services contingency fund.

(e) The deferred compensation committee shall report to the budget committee every six (6) months concerning the following:

(1) The number of state employees that have funds invested in the next level Indiana fund under this section.

(2) The total amounts invested in the next level Indiana fund under this section, including the amount of any state match under this section.

SECTION 52. IC 5-10-8-6, AS AMENDED BY P.L.138-2012, SECTION 2, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) The state police department, conservation officers of the department of natural resources, and the state excise police may establish common and unified plans of self-insurance for their employees, including retired employees, as separate entities of state government. These plans may be administered by a private agency, business firm, limited liability company, or corporation. Any modification to:

(1) eligibility requirements;

(2) required premiums; or

(3) change the benefits under the plan; or

(4) any other plan provisions;

that increases the amount of the state's contribution to the plan or that increases the post-employment liability under the plan may not be made unless the modification is approved by the budget agency on or before September 1 of each year, with an annual review of the modifications by the budget committee.

(b) Except as provided in this section and IC 5-10-14, the state agencies listed in subsection (a) may not pay as the employer part of benefits for any employee or retiree an amount greater than that paid for other state employees for group insurance.

(c) This subsection applies to a health benefit plan for an individual described in subsection (a). After June 30, 2011, at least one (1) time in each state fiscal year, the budget agency shall determine the average amount of contributions made under IC 5-10-8.5-15 and IC 5-10-8.5-16 to participants in a health reimbursement arrangement or other separate fund under IC 5-10-8.5 in the immediately preceding state fiscal year. In the state fiscal year beginning July 1, 2011, the amount determined under this section must exclude contributions made to persons described in IC 5-10-8.5-15(c) and IC 5-10-8.5-16(f). An amount equal to the average amount determined under this subsection multiplied by the number of participants (other than retired participants) in the plans described in subsection (a) shall be transferred to the plans described in subsection (a). The amount transferred under this subsection shall be proportionally allocated



to each plan relative to the number of members in each plan. The amount allocated to a plan under this subsection shall be allocated among the participants in the plan in the same manner as other employer contributions. Funds shall be used only to reduce unfunded other post-employment benefit (OPEB) liability and not to increase benefits or reduce premiums.

(d) Trust funds may be established to carry out the purposes of this section. A trust fund established under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from a trust fund established under this subsection by the state board of finance, the budget agency, or any other state agency. Money in a trust fund established under this subsection does not revert to the state general fund at the end of any state fiscal year. A trust fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund under IC 4-12-1. Contributions to a trust fund established under this subsection are irrevocable. A trust fund established under this subsection must be limited to providing prefunding of annual required contributions and to cover OPEB liability for covered individuals. Funds may be used only for these purposes and not to increase benefits or reduce premiums. A trust fund established under this subsection shall be established to comply with and be administered in a manner that satisfies the Internal Revenue Code requirements concerning a trust fund for prefunding annual required contributions and for covering OPEB liability for covered individuals. All assets in a trust fund established under this subsection:

- (1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries according to the terms of the health plan; and
- (2) are exempt from levy, sale, garnishment, attachment, or other legal process.

A trust fund established under this subsection shall be administered by the agency employing the covered individuals. The expenses of administering a trust fund established under this subsection shall be paid from money in the trust fund. **Notwithstanding IC 5-13**, the treasurer of state shall invest the money in a trust fund established under this subsection not currently needed to meet the obligations of the trust fund in the same manner as ~~other public~~ money may be invested **by the public employees' retirement fund under IC 5-10.3-5. However, the trustee may not invest the money in the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5. The trustee may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the trust and may pay the state expenses incurred under those contracts from the trust. Interest that accrues from these investments shall be deposited in the trust fund.**

(e) **On or before July 15 of each year, each state agency listed in subsection (a) shall submit to the budget agency the current plan documents and any other related information for any common and unified plan established under subsection (a) as well as any proposed modification to the plan under subsection (a). The budget agency may request additional information from a state agency listed in subsection (a) to analyze the impact of any proposed modification to the state's contribution and post-employment liability under the plan. In addition, the budget agency may enlist the assistance of the state personnel department and a third party, independent actuary to analyze any information related to a proposed modification under this subsection and subsection (a).**

(f) **If a state agency listed in subsection (a) fails to provide any information under subsection (e) to the budget agency, the budget agency may recommend to the budget committee that the state personnel department manage the state agency's common and unified plans established under subsection (a) during the next succeeding calendar year.**



SECTION 53. IC 5-10-8-7, AS AMENDED BY P.L.121-2016, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) The state, excluding state educational institutions, may not purchase or maintain a policy of group insurance, except:

- (1) life insurance for the state's employees;
- (2) long term care insurance under a long term care insurance policy (as defined in IC 27-8-12-5), for the state's employees; or
- (3) an insurance policy that provides coverage that supplements coverage provided under a United States military health care plan.

(b) With the consent of the governor, the state personnel department may establish self-insurance programs to provide group insurance other than life or long term care insurance for state employees and retired state employees. The state personnel department may contract with a private agency, business firm, limited liability company, or corporation for administrative services. A commission may not be paid for the placement of the contract. The department may require, as part of a contract for administrative services, that the provider of the administrative services offer to an employee terminating state employment the option to purchase, without evidence of insurability, an individual policy of insurance.

(c) Notwithstanding subsection (a), with the consent of the governor, the state personnel department may contract for health services for state employees through one (1) or more prepaid health care delivery plans.

(d) The state personnel department shall adopt rules under IC 4-22-2 to establish long term and short term disability plans for state employees (except employees who hold elected offices (as defined by IC 3-5-2-17)). The plans adopted under this subsection may include any provisions the department considers necessary and proper and must:

- (1) require participation in the plan by employees with six (6) months of continuous, full-time service;
- (2) require an employee to make a contribution to the plan in the form of a payroll deduction;
- (3) require that an employee's benefits under the short term disability plan be subject to a thirty (30) day elimination period and that benefits under the long term plan be subject to a six (6) month elimination period;
- (4) prohibit the termination of an employee who is eligible for benefits under the plan;
- (5) provide, after a seven (7) day elimination period, eighty percent (80%) of base biweekly wages for an employee disabled by injuries resulting from tortious acts, as distinguished from passive negligence, that occur within the employee's scope of state employment;
- (6) provide that an employee's benefits under the plan may be reduced, dollar for dollar, if the employee derives income from:
 - (A) Social Security;
 - (B) the public employees' retirement fund;
 - (C) the Indiana state teachers' retirement fund;
 - (D) pension disability;
 - (E) worker's compensation;
 - (F) benefits provided from another employer's group plan; or
 - (G) remuneration for employment entered into after the disability was incurred.

(The department of state revenue and the department of workforce development shall cooperate with the state personnel department to confirm that an employee has disclosed complete and accurate information necessary to administer **this** subdivision. ~~(6)~~);

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- (7) provide that an employee will not receive benefits under the plan for a disability resulting from causes specified in the rules; and
- (8) provide that, if an employee refuses to:
 - (A) accept work assignments appropriate to the employee's medical condition;
 - (B) submit information necessary for claim administration; or
 - (C) submit to examinations by designated physicians;
 the employee forfeits benefits under the plan.
- (e) This section does not affect insurance for retirees under IC 5-10.3 or IC 5-10.4.
- (f) The state may pay part of the cost of self-insurance or prepaid health care delivery plans for its employees.
- (g) A state agency may not provide any insurance benefits to its employees that are not generally available to other state employees, unless specifically authorized by law.
- (h) The state may pay a part of the cost of group medical and life coverage for its employees.
- (i) To carry out the purposes of this section, a trust fund may be established. The trust fund established under this subsection is considered a trust fund for purposes of IC 4-9.1-1-7. Money may not be transferred, assigned, or otherwise removed from the trust fund established under this subsection by the state board of finance, the budget agency, or any other state agency. Money in a trust fund established under this subsection does not revert to the state general fund at the end of any state fiscal year. The trust fund established under this subsection consists of appropriations, revenues, or transfers to the trust fund under IC 4-12-1. Contributions to the trust fund are irrevocable. The trust fund must be limited to providing prefunding of annual required contributions and to cover OPEB liability for covered individuals. Funds may be used only for these purposes and not to increase benefits or reduce premiums. The trust fund shall be established to comply with and be administered in a manner that satisfies the Internal Revenue Code requirements concerning a trust fund for prefunding annual required contributions and for covering OPEB liability for covered individuals. All assets in the trust fund established under this subsection:

- (1) are dedicated exclusively to providing benefits to covered individuals and their beneficiaries according to the terms of the health plan; and
- (2) are exempt from levy, sale, garnishment, attachment, or other legal process.

The trust fund established under this subsection shall be administered by the state personnel department. The expenses of administering the trust fund shall be paid from money in the trust fund. **Notwithstanding IC 5-13**, the treasurer of state shall invest the money in the trust fund not currently needed to meet the obligations of the trust fund in the same manner as ~~other public~~ money may be invested **by the public employees' retirement fund under IC 5-10.3-5. However, the trustee may not invest the money in the trust in equity securities. The trustee shall also comply with the prudent investor rule set forth in IC 30-4-3.5. The trustee may contract with investment management professionals, investment advisors, and legal counsel to assist in the investment of the trust and may pay the state expenses incurred under those contracts from the trust. Interest that accrues from these investments shall be deposited in the trust fund.**

SECTION 54. IC 5-10.2-2-3, AS AMENDED BY P.L.193-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The annuity savings account consists of:

- (1) the members' contributions; and
- (2) the interest credits on these contributions in the guaranteed fund (before January 1, 2017), the gain or loss in the balance of the member's account in the stable value fund (after December 31,



2016), or the gain or loss in market value on these contributions in the alternative investment program, as specified in section 4 of this chapter.

Each member shall be credited individually with the amount of the member's contributions and interest credits.

(b) The board shall maintain the investment program in effect on December 31, 1995, (referred to in this chapter as the guaranteed program) within the annuity savings account until January 1, 2017. In addition, the board shall establish and maintain a guaranteed program within the 1996 account until January 1, 2017. After December 31, 2016, the board shall establish an investment fund (referred to in this chapter as the stable value fund) that has preservation of capital as the primary investment objective. The board may establish investment guidelines and limits on all types of investments (including, but not limited to, stocks and bonds) and take other actions necessary to fulfill its duty as a fiduciary of the annuity savings account, subject to the limitations and restrictions set forth in IC 5-10.3-5-3, IC 5-10.4-3-10, and IC 5-10.5-5.

(c) The board shall establish alternative investment programs within the annuity savings account of the public employees' retirement fund, the pre-1996 account, and the 1996 account, based on the following requirements:

(1) The board shall maintain at least one (1) alternative investment program that is an indexed stock fund and one (1) alternative investment program that is a bond fund. The board may maintain one (1) or more alternative investment programs that:

- (A) invest in one (1) or more commingled or pooled funds that consist in part or entirely of mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6; or
- (B) otherwise invest in mortgages that qualify as five star mortgages under the program established by IC 24-5-23.6.

(2) The programs should represent a variety of investment objectives under IC 5-10.3-5-3.

(3) No program may permit a member to withdraw money from the member's account except as provided in IC 5-10.2-3 and IC 5-10.2-4.

(4) All administrative costs of each alternative program shall be paid from the earnings on that program or as may be determined by the rules of the board.

(5) Except as provided in section 4(e) of this chapter, a valuation of each member's account must be completed as of:

- (A) the last day of each quarter; or
- (B) another time as the board may specify by rule.

(6) The board shall maintain as an alternative investment program the fund described in section 3.5 of this chapter.

(d) The board must prepare, at least annually, an analysis of the guaranteed program (before January 1, 2017), the stable value fund (after December 31, 2016), and each alternative investment program. This analysis must:

- (1) include a description of the procedure for selecting an alternative investment program;
- (2) be understandable by the majority of members; and
- (3) include a description of prior investment performance.

(e) A member may direct the allocation of the amount credited to the member among the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), and any available alternative investment funds, subject to the following conditions:

(1) A member may make a selection or change an existing selection under rules established by the



board. The board shall allow a member to make a selection or change any existing selection at least once each quarter.

(2) The board shall implement the member's selection beginning on the first day of the next calendar quarter that begins at least thirty (30) days after the selection is received by the board or on an alternate date established by the rules of the board. This date is the effective date of the member's selection.

(3) A member may select any combination of the guaranteed fund (before January 1, 2017), the stable value fund (after December 31, 2016), or any available alternative investment funds, in ten percent (10%) increments or smaller increments that may be established by the rules of the board.

(4) A member's selection remains in effect until a new selection is made.

(5) On the effective date of a member's selection, the board shall reallocate the member's existing balance or balances in accordance with the member's direction, based on:

(A) for an alternative investment program balance, the market value on the effective date;

(B) for any guaranteed program balance, the account balance on the effective date; and

(C) for any stable value fund program balance, the balance of the member's account on the effective date.

All contributions to the member's account shall be allocated as of the last day of that quarter or at an alternate time established by the rules of the board in accordance with the member's most recent effective direction. The board shall not reallocate the member's account at any other time.

(6) The provisions concerning the transition from the guaranteed program to the stable value fund program are met, as set forth in section 24 of this chapter.

(f) When a member who participates in an alternative investment program transfers the amount credited to the member from one (1) alternative investment program to another alternative investment program, to the guaranteed program (before January 1, 2017), or to the stable value fund program (after December 31, 2016), the amount credited to the member shall be valued at the market value of the member's investment, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in an alternative investment program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the market value of the member's investment as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

(g) This subsection applies before January 1, 2017. When a member who participates in the guaranteed program transfers the amount credited to the member to an alternative investment program, the amount credited to the member in the guaranteed program is computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the effective date of the transfer. However, the board may by rule provide for an alternate valuation date. When a member who participates in the guaranteed program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be computed without regard to market value and is based on the balance of the member's account in the guaranteed program as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus any contributions received since that date plus interest since that date. However, the board may by rule provide for an alternate valuation date.

(h) This subsection applies after December 31, 2016. When a member who participates in the stable



value fund program transfers the amount credited to the member from the stable value fund program to an alternative investment program, the amount credited to the member shall be the balance of the member's account, as of the day before the effective date of the member's selection or at an alternate time established by the rules of the board. When a member who participates in the stable value fund program retires, becomes disabled, dies, or suspends membership and withdraws from the fund, the amount credited to the member shall be the balance of the member's account as of the last day of the quarter preceding the member's distribution or annuitization at retirement, disability, death, or suspension and withdrawal, plus contributions received after that date or at an alternate time established by the rules of the board.

SECTION 55. IC 5-10.2-2-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 3.5. (a) As used in this section, "next level Indiana fund" refers to the next level Indiana innovation and entrepreneurial fund established by subsection (b).**

(b) After December 31, 2017, the board shall establish and maintain an alternative investment program within the annuity savings account of the public employees' retirement fund, the pre-1996 account, and the 1996 account named the next level Indiana innovation and entrepreneurial fund. The board shall consult with the board of trustees of the next level Indiana trust fund established under IC 8-14-15.1 and the deferred compensation committee established under IC 5-10-1.1-4 in establishing the investment objectives and policies for the next level Indiana fund.

(c) The following apply to a member who selects the next level Indiana fund:

(1) The member's initial transfer into the next level Indiana fund may not exceed twenty percent (20%) of the balance in the member's account, as of the day before the effective date of the member's selection of the next level Indiana fund.

(2) After the member's initial transfer into the next level Indiana fund, contributions made by the member, or on the member's behalf, into the next level Indiana fund each year may not exceed twenty percent (20%) of the total contributions to the member's account for that year.

(3) If a member:

(A) contributes not less than the amount the member initially designated to the next level Indiana fund for at least thirty-six (36) consecutive months; and

(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period;

the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that thirty-six (36) month period.

(4) After the period described in subdivision (3), for each additional twelve (12) consecutive months that a member:

(A) contributes not less than the amount the member initially designated to the next level Indiana fund; and

(B) maintains in the next level Indiana fund the amounts transferred and contributed during that period;

the state shall contribute on the member's behalf to the next level Indiana fund as a match ten percent (10%) of the total amount contributed by or on the member's behalf to the next level Indiana fund during that twelve (12) month period. In determining the state's match under this subdivision, the total amount contributed by or on the member's behalf excludes the



amount of any state match under this subdivision or subdivision (3).

(d) The state match under this section shall be paid from the personal services contingency fund.

SECTION 56. IC 5-10.2-2-11, AS AMENDED BY P.L.241-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 11. (a) Based on the actuarial investigation and valuation in section 9 of this chapter, the board shall determine:

- (1) the normal contribution for each contribution rate group, which is the amount necessary to fund the pension portion of the retirement benefit;
- (2) the rate of normal contribution;
- (3) the unfunded accrued liability of the public employees' retirement fund, the pre-1996 account, and the 1996 account, which is the excess of total accrued liability over the fund's or account's total assets, respectively; and
- (4) the period, which must be thirty (30) years or a shorter period, necessary to amortize the unfunded accrued liability determined in subdivision (3).

(b) Based on the information in subsection (a), the board may determine, in its sole discretion, contributions and contribution rates for individual employers or for a group of employers.

(c) The board shall require an employer to make a supplemental contribution to the fund in addition to the amounts described in subsection (a)(3) and (a)(4) in an amount necessary to pay the employer's share of the fund's actuarial unfunded liability that other employers would otherwise be required to pay because the employer's employees are becoming members of the plan under IC 5-10.3-12 **or IC 5-10.4-8** instead of the fund. The amount necessary to pay an employer's contribution under this subsection in full must be made in a lump sum or in a series of payments determined by the board.

(d) The board's determinations under subsection (a):

- (1) are subject to sections 1.5 and 11.5 of this chapter; and
- (2) may not include an amount for a retired member for whom the employer may not make contributions during the member's period of reemployment as provided under IC 5-10.2-4-8(e).

(e) If the board determines contributions and contribution rates for one (1) or more employers under this section differ from the contributions and contribution rates determined by the actuarial investigation under section 9 of this chapter, the board shall notify the interim study committee for pension management oversight of this fact by reporting the board's action to the legislative services agency in an electronic format under IC 5-14-6.

SECTION 57. IC 5-10.4-4-1, AS AMENDED BY P.L.119-2012, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) The members of the fund include:

- (1) legally qualified and regularly employed teachers in the public schools;
- (2) persons employed by a governing body, who were qualified before their election or appointment;
- (3) legally qualified and regularly employed teachers at Ball State University, Indiana State University, University of Southern Indiana, and Vincennes University;
- (4) legally qualified and regularly employed teachers in a state educational institution whose teachers devote their entire time to teaching;
- (5) legally qualified and regularly employed teachers in state benevolent, charitable, or correctional institutions;
- (6) legally qualified and regularly employed teachers in an experimental school in a state university who teach elementary or high school students;
- (7) as determined by the board, certain instructors serving in a state educational institution extension division not covered by a state retirement law;



(8) employees and officers of the department of education and of the fund who were qualified before their election or appointment;

(9) a person who:

(A) is employed as a nurse appointed under IC 20-34-3-6 by a school corporation located in a city having a population of more than eighty thousand (80,000) but less than eighty thousand four hundred (80,400); and

(B) participated in the fund before December 31, 1991, in the position described in clause (A); and

(10) persons who are employed by the fund.

(b) Teachers in any state institution who accept the benefits of a state supported retirement benefit system comparable to the fund's benefits may not come under the fund unless permitted by law or the rules of the board.

(c) The members of the fund do not include substitute teachers who have not obtained an associate degree or a baccalaureate degree.

(d) The members of the fund do not include individuals who participate in the teachers' defined contribution plan under IC 5-10.4-8.

SECTION 58. IC 5-10.4-8 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 8. Teachers' Defined Contribution Plan

Sec. 1. (a) Except as provided in subsection (b), this chapter applies after the effective date of the plan to an individual who:

(1) begins employment with a school corporation in a covered position that would otherwise be eligible for membership in the fund under IC 5-10.4-4; and

(2) makes an election described in section 6 of this chapter to become a member of the plan.

(b) This chapter does not apply to the following:

(1) An individual who, before the effective date of the plan, is or was a member (as defined in IC 5-10.4-1-9) of the fund.

(2) An individual who, on or after the effective date of the plan:

(A) begins employment with a school corporation that participates in the plan in a covered position that would otherwise be eligible for membership in the fund under IC 5-10.4-4; and

(B) does not make the election described in section 6 of this chapter to become a member of the plan.

Sec. 2. The following definitions apply throughout this chapter:

(1) "Account" means the plan account established for a member under section 7(b) of this chapter.

(2) "Annuity savings account" means the annuity savings account of the 1996 account maintained under IC 5-10.2-2-2(b)(2) and IC 5-10.2-2-2(c)(1).

(3) "Compensation" has the meaning set forth in IC 5-10.2-3-2(a).

(4) "Effective date" means the first day of the month that is six (6) months after the month in which the board adopts provisions to implement the plan under section 4(b) of this chapter.

(5) "Employer" means a school corporation.

(6) "Employer contribution subaccount" means the subaccount in a member's plan account established under section 7(b)(2) of this chapter.

(7) "Internal Revenue Code" has the meaning set forth in IC 5-10.2-1-3.5.



(8) "Member" means an individual described in section 1(a) of this chapter who is not otherwise excluded from membership in the plan.

(9) "Member contribution subaccount" means the subaccount in a member's plan account established under section 7(b)(1) of this chapter.

(10) "Normal retirement age" for a member means the member is at least sixty-two (62) years of age with at least five (5) years of participation in the plan.

(11) "Plan" refers to the teachers' defined contribution plan established by section 4 of this chapter.

(12) "Years of participation" means all periods of participation in the plan in a covered position, plus any additional service for which this chapter provides years of participation credit.

Sec. 3. Except as otherwise provided in this chapter or by federal law, and subject to the board obtaining any approval from the Internal Revenue Service that the board considers necessary or desirable, the provisions of this article that apply to the annuity savings account apply to an account established under this chapter.

Sec. 4. (a) The teachers' defined contribution plan is established for the purpose of providing amounts funded by an employer and a member for the use of the member or the member's beneficiaries or survivors after the member's retirement.

(b) The board shall adopt provisions to implement the plan established under subsection (a) as follows:

(1) The board shall initially offer the plan using the annuity savings account, subject to obtaining any approval from the Internal Revenue Service that the board considers necessary or desirable to preserve the qualified status of the plan and the fund. The plan as provided under this subdivision is a component within the fund.

(2) If the approval of the Internal Revenue Service to offer the plan using the annuity savings account cannot be obtained in a manner satisfactory to the board, the board shall offer the plan as a separate fund under Section 401(a) or another applicable section of the Internal Revenue Code.

(c) The board shall administer the plan.

(d) The board may adopt a plan document that it considers appropriate or necessary to administer the plan.

Sec. 5. The board may request from the Internal Revenue Service any rulings or determination letters that the board considers necessary or appropriate in order to implement or administer the plan.

Sec. 6. (a) An individual who, on or after the effective date of the plan, begins employment with a school corporation that participates in the plan in a covered position that would otherwise be eligible for membership in the fund under IC 5-10.4-4 may elect to become a member of the plan.

(b) An election under this section:

(1) must be made in writing;

(2) must be filed with the board, on a form prescribed by the board; and

(3) is irrevocable.

(c) An individual who does not elect to become a member of the plan becomes a member (as defined in IC 5-10.4-1-9) of the fund.

Sec. 7. (a) The plan consists of the following:



- (1) Each member's contributions to the plan under section 9 of this chapter.
- (2) Contributions made by an employer to the plan on behalf of each member under section 10 of this chapter.
- (3) Rollovers to the plan by a member under section 15 of this chapter.
- (4) All earnings on investments or deposits of the plan.
- (5) All contributions or payments to the plan made in the manner provided by the general assembly.

(b) The plan shall establish an account for each member. A member's account consists of two (2) subaccounts credited individually as follows:

- (1) The member contribution subaccount consists of:
 - (A) the member's contributions to the plan under section 9 of this chapter; and
 - (B) the net earnings on the contributions described in clause (A) as determined under section 8 of this chapter.
- (2) The employer contribution subaccount consists of:
 - (A) the employer's contributions made on behalf of the member to the plan under section 10 of this chapter; and
 - (B) the earnings on the contributions described in clause (A) as determined under section 8 of this chapter.

The board may combine the two (2) subaccounts established under this subsection into a single account, if the board determines that a single account is administratively appropriate and permissible under applicable law.

(c) If a member makes rollover contributions under section 15 of this chapter, the plan shall establish a rollover account as a separate subaccount within the member's account.

Sec. 8. (a) Subject to the board obtaining any approval from the Internal Revenue Service that the board considers necessary or desirable, the board shall establish alternative investment programs (as described by IC 5-10.2-2-3) within the annuity savings account as the initial alternative investment programs for the plan. If the board considers it necessary or appropriate, the board may establish different or additional alternative investment programs for the plan, except that the board shall maintain the stable value fund as described by IC 5-10.2-2-3(b).

(b) The requirements and rules that apply to the alternative investment programs within the annuity savings account are the initial requirements and rules that apply to the alternative investment programs within the plan, including the following:

- (1) The board's investment guidelines and limits for the alternative investment programs.
- (2) A member's selection of and changes to the member's investment options.
- (3) The valuation of a member's account.
- (4) The allocation and payment of administrative expenses for the alternative investment programs.

(c) If the board considers it necessary or appropriate, the board may establish different or additional requirements and rules that apply to the alternative investment programs within the plan.

(d) The board shall determine the appropriate administrative fees to be charged to the member accounts.

Sec. 9. (a) Each member's contribution to the plan is equal to three percent (3%) of the member's compensation.



(b) An employer shall pay a member's contribution on behalf of the member.

(c) To the extent permitted by the Internal Revenue Code and applicable regulations, a member of the plan may make contributions to the plan in addition to the contribution required under subsection (a). IC 5-10.2-3-2(c) and IC 5-10.2-3-2(d) govern additional contributions made under this subsection.

(d) Member contributions must be credited to the member's account as specified in IC 5-10.2-3.

(e) Although designated as employee contributions, the contributions made under subsection (b) by an employer must be picked up and paid by the employer instead of the contributions being paid by the employee in accordance with Section 414(h)(2) of the Internal Revenue Code.

(f) A member may not receive any amounts paid by an employer under this section directly instead of having the amounts paid to the plan.

Sec. 10. (a) An employer shall make employer contributions to the plan based on the rate determined under this section.

(b) The employer's contribution rate for the plan must be equal to the employer's contribution rate for the fund as determined by the board under IC 5-10.2-2-11(b). The amount credited from the employer's contribution rate to the member's account shall be the normal cost of the fund. Any amount not credited to the member's account must be applied to the unfunded accrued liability of the fund as determined under IC 5-10.2-2-11(c).

(c) Notwithstanding subsection (b), an employer's minimum contribution under this section is equal to three percent (3%) of the compensation of all members of the plan.

(d) An employer shall submit the employer contributions determined under this section as provided in IC 5-10.2-2-12.5.

Sec. 11. (a) Member contributions and net earnings on the member contributions in the member contribution subaccount belong to the member at all times and do not belong to the employer.

(b) A member is vested in the employer contribution subaccount in accordance with the following schedule:

Years of participation in the plan	Vested percentage of employer contributions and earnings
1	20%
2	40%
3	60%
4	80%
5	100%

For purposes of vesting in the employer contribution subaccount, only a member's full years of participation in the plan may be counted.

(c) The amount that a member may withdraw from the member's account is limited to the vested portion of the account.

(d) A member who attains normal retirement age is fully vested in all amounts in the member's account.

(e) If a member separates from service with an employer before the member is fully vested in the employer contribution subaccount, the amount in the employer contribution subaccount that is not vested remains in the employer contribution subaccount as unvested employer contributions until, and only to the extent that, the unvested employer contributions:



- (1) become vested in accordance with subsection (b);
- (2) are forfeited in accordance with subsection (f); or
- (3) in some proportion, become vested under subdivision (1) and forfeited under subdivision (2).

(f) A member forfeits unvested employer contributions in the member's employer contribution account on the earliest of the following dates:

- (1) The date of the member's death.
- (2) The date that the member withdraws the member's money from the plan.
- (3) The date that the plan is required to distribute the member's money from the plan.

(g) Amounts forfeited under subsection (f) must be used as determined by the board.

(h) A member may not earn creditable service (as defined in IC 5-10.2-3-1(a)) under the plan.

Sec. 12. (a) Subject to the provisions of the Internal Revenue Code applicable to qualified plan distributions, a member who:

- (1) terminates service in a covered position; and
- (2) does not perform any service in a position covered by the fund for at least thirty (30) days after the date on which the member terminates service;

is entitled to withdraw amounts in the member's account to the extent the member is vested in the account. A member must make a required withdrawal from the member's account not later than the required beginning date under the Internal Revenue Code.

(b) A member may elect to have withdrawals paid as:

- (1) a lump sum;
- (2) a direct rollover to another eligible retirement plan; or
- (3) if the member has attained normal retirement age, a monthly annuity in accordance with the rules of the board.

(c) The board may establish a minimum account balance or a minimum monthly payment amount in order for a member to select the monthly annuity option. The board shall establish the forms of annuity by rule, in consultation with the board's actuary. The board shall give members information about these forms of payment and any information required by federal law to accompany such distributions.

(d) Unless otherwise required by federal or state law, the requirements and rules that apply to the distribution of the annuity savings account apply to distributions from a member's account.

Sec. 13. (a) If a member dies:

- (1) while in service in a position covered by the plan; or
- (2) after terminating service in a position covered by the plan but before withdrawing the member's account;

to the extent that the member is vested, the member's account shall be paid to the beneficiary or beneficiaries designated by the member on a form prescribed by the board. The amount paid must be valued as provided in IC 5-10.2-2-3. The board shall invest the total amount in the member's account in the stable value fund not later than thirty (30) days after receiving notification of a member's death.

(b) If there is no properly designated beneficiary, or if no beneficiary survives the member, the member's account shall be paid to:

- (1) the surviving spouse of the member;
- (2) if there is not a surviving spouse, the surviving dependent or dependents of the member in



equal shares; or

(3) if there is not a surviving spouse or dependent, the member's estate.

(c) The beneficiary or beneficiaries designated under subsection (a) or a survivor determined under subsection (b) may elect to have the member's account paid as:

(1) a lump sum;

(2) a direct rollover to another eligible retirement plan; or

(3) a monthly annuity in accordance with rules of the board.

A monthly annuity is an option only on or after the date the beneficiary or survivor becomes sixty-two (62) years of age. The board shall establish the forms of annuity by rule, in consultation with the board's actuary. Further, the board may establish a minimum account balance or a minimum monthly payment amount that is required in order for a beneficiary or survivor to select the monthly annuity option.

Sec. 14. (a) All assets in the plan are exempt from levy, sale, garnishment, attachment, or other legal process.

(b) A member, beneficiary, or survivor may not assign any payment under this chapter except for the following:

(1) Premiums on a life, hospitalization, surgical, or medical group insurance plan maintained in part by a state agency.

(2) Dues to an association that proves to the board's satisfaction that the association has as members at least twenty percent (20%) of the retired members in the plan.

Sec. 15. (a) To the extent permitted by the Internal Revenue Code and the applicable regulations and guidance, the plan may accept, on behalf of any member who is employed in a covered position, a rollover distribution from any of the following:

(1) A qualified plan described in Section 401(a) or Section 403(a) of the Internal Revenue Code.

(2) An annuity contract or account described in Section 403(b) of the Internal Revenue Code.

(3) An eligible plan maintained by a state, a political subdivision of a state, or an agency or instrumentality of a state or political subdivision of a state under Section 457(b) of the Internal Revenue Code.

(4) An individual retirement account or annuity described in Section 408(a) or Section 408(b) of the Internal Revenue Code.

(b) Any amounts rolled over under subsection (a) must be accounted for in a rollover account that is separate from the member's account in the plan. The member is fully vested in the member's rollover account.

(c) A member may direct the investment of the member's rollover account into any alternative investment option that the board may make available to the member's rollover account under section 8 of this chapter.

(d) A member may withdraw the member's rollover account from the plan in a lump sum or direct a rollover to an eligible retirement plan at any time. Upon attainment of normal retirement age, in addition to these payment options, the member may withdraw the member's rollover account as a monthly annuity as established by the board in accordance with the annuity options that are available for the member's account in the plan. A member shall make a required withdrawal from the member's account in the plan not later than the required beginning date under the Internal Revenue Code.



Sec. 16. (a) If a member becomes disabled while in a covered position, subject to any federal law limitations concerning qualified plan distributions and the member furnishing proof of the member's qualification for Social Security disability benefits to the board, to the extent that the member is vested, the member may make a withdrawal from the member's account.

(b) The member may elect to have the withdrawal paid as:

- (1) a lump sum;**
- (2) a direct rollover to another eligible retirement plan; or**
- (3) a monthly annuity in accordance with the rules of the board.**

(c) The board may establish a minimum account balance or a minimum monthly payment amount in order for a member to select the monthly annuity option.

Sec. 17. (a) If a member of the plan separates from employment with the member's employer and later returns to employment in a position covered by the plan:

- (1) the individual resumes membership in the plan; and**
- (2) the member is entitled to receive credit for the member's years of participation in the plan before the member's separation.**

(b) An individual who elected under section 6 of this chapter to become a member of the plan resumes membership in the plan upon the individual's return to employment covered by the plan.

(c) An individual who did not elect to become a member of the plan resumes membership in the fund.

(d) An individual who returns to employment in a position covered by the plan having had an opportunity to make an election under section 6 of this chapter during an earlier period of employment is not entitled to a second opportunity to make an election under section 6 of this chapter.

SECTION 59. IC 5-10.4-9 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 9. Participation by School Corporations in the Defined Contribution Plan

Sec. 1. The following definitions apply throughout this chapter:

- (1) "Account" has the meaning set forth in IC 5-10.4-8-2(1).**
- (2) "Plan" has the meaning set forth in IC 5-10.4-8-2(11).**

Sec. 2. On the effective date of the plan, a school corporation becomes a participant in the plan.

Sec. 3. After a school corporation becomes a participant in the plan, its governing body may make appropriations, make payments, and do all things required under IC 5-10.4-8.

Sec. 4. The board shall maintain separate accounts for each contribution rate group. Credits and charges to these accounts shall be made as prescribed under IC 5-10.4-8.

Sec. 5. A school corporation shall make the appropriations and payments required under this article and IC 5-10.2 from its general fund.

Sec. 6. If a school corporation fails to make payments required by this chapter, the amount payable may be:

- (1) withheld by the auditor of state from money payable to the school corporation and transferred to the plan; or**
- (2) recovered in a suit in the circuit or superior court of the county in which the school corporation is located. The suit must be an action by the state on the relation of the board, prosecuted by the attorney general.**

SECTION 60. IC 5-10.5-4-1, AS AMENDED BY P.L.181-2015, SECTION 9, IS AMENDED TO



READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. The board shall do all of the following:

- (1) Appoint and fix the salary of a director.
- (2) Employ or contract with employees, auditors, technical experts, legal counsel, and other service providers as the board considers necessary to transact the business of the fund without the approval of any state officer, and fix the compensation of those persons.
- (3) Establish a general office in Indianapolis for board meetings and for administrative personnel.
- (4) Provide for the installation in the general office of a complete system of:
 - (A) books;
 - (B) accounts, including reserve accounts; and
 - (C) records;

to give effect to all the requirements of this article and to ensure the proper operation of the fund.

- (5) Provide for a report at least annually to each member of the amount credited to the member in the annuity savings account in each investment program under IC 5-10.2-2.
- (6) With the advice of the actuary, adopt actuarial tables and compile data needed for actuarial studies that are necessary for the fund's operation.
- (7) Act on applications for benefits and claims of error filed by members.
- (8) Have the accounts of the fund audited by the state board of accounts and if the board determines that it is advisable, have the operation of a public pension or retirement fund of the system audited by a certified public accountant.
- (9) Publish for the members a synopsis of the fund's condition.
- (10) Adopt a budget on a calendar year or fiscal year basis that is sufficient, as determined by the board, to perform the board's duties and, as appropriate and reasonable, draw upon fund assets to fund the budget.
- (11) Expend money, including income from the fund's investments, for effectuating the fund's purposes.
- (12) Establish personnel programs and policies for the employees of the system.
- (13) Submit a financial report before November 1 each year to the governor, the interim study committee on pension management oversight established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6, and the budget committee. The report under this subdivision must set forth a complete operating and financial statement covering its operations during the most recent fiscal year, and include any other information requested by the chair of the interim study committee on pension management oversight established by IC 2-5-1.3-4 in an electronic format under IC 5-14-6.
- (14) Provide the necessary forms for administering the fund.
- (15) Submit to the auditor of state or the treasurer of state vouchers or reports necessary to claim an amount due from the state to the system.

(16) Provide education to employers and members regarding retirement benefit options of all applicable public pension and retirement funds of the system.

SECTION 61. IC 5-23-4.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 4.5. Requests for Information

Sec. 1. A governmental body may issue a request for information for any of the following purposes:

- (1) To consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project involving a public facility.**



(2) To prepare a request for proposals.

(3) To evaluate any aspect of an existing public-private agreement and an associated public facility.

Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.

Sec. 3. A response to a request for information is confidential unless, and only to the extent that, the person who submits the response waives confidentiality in writing. The identity of the person submitting the response is a public record.

Sec. 4. A governmental body is not required to take any action after receiving a response to a request for information.

SECTION 62. IC 5-29-5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 5. Indiana Tourism Task Force

Sec. 1. As used in this chapter, "task force" refers to the Indiana tourism task force established by section 2 of this chapter.

Sec. 2. The Indiana tourism task force is established.

Sec. 3. The task force shall do the following:

(1) Study the operating structure of state tourism departments in other states, including the following:

(A) Whether these tourism departments use public-private partnerships.

(B) The level of state funding provided to state tourism departments.

(C) The relationship between state funding of a state's tourism department and the economic impact of tourism on the state.

(2) Submit, not later than August 15, 2018, to the council a report setting forth the task force's findings and recommendations under subdivision (1). The council shall consider the report at its next regularly scheduled meeting and take the actions necessary to finalize the report and deliver it to the governor, the lieutenant governor, and the legislative council in an electronic format under IC 5-14-6.

Sec. 4. (a) The membership of the task force consists of five (5) tourism marketing professionals appointed by the lieutenant governor after considering the recommendation of the Indiana Tourism Council.

(b) Members shall be appointed by the lieutenant governor not later than October 1, 2017. Each member appointed under subsection (a) serves at the pleasure of the lieutenant governor.

(c) At the first meeting of the task force, the members of the task force shall select a chairperson.

(d) The task force shall meet at least quarterly or at the call of the chairperson.

(e) The task force shall deliver a status report at each regularly scheduled meeting of the council during the duration of the task force's existence.

Sec. 5. (a) A quorum of the task force consists of three (3) members.

(b) The affirmative vote of at least three (3) members of the task force is necessary for any action to be taken, including the approval of a report under section 3(2) of this chapter.

Sec. 6. (a) The office of tourism development shall staff and provide administrative support to the task force.

(b) Expenses of the task force include but are not limited to the purchase or licensing of data or systems necessary to create the report. Members of the task force may not receive a salary for their service on the task force.



(c) All state agencies shall fully cooperate with the task force and provide data and other information to assist the task force in carrying out its responsibilities under this chapter.

Sec. 7. This chapter expires June 30, 2019.

SECTION 63. IC 6-1.1-20.3-5, AS AMENDED BY P.L.146-2008, SECTION 204, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 5. (a) **The board may employ an executive director who shall serve at the pleasure of the board and carry out the administrative responsibilities assigned by the board.**

(a) (b) The department of local government finance shall provide the board with the staff and assistance that the board reasonably requires.

(b) (c) The department of local government finance shall provide from the department's budget funding to support the board's duties under this chapter.

(c) (d) The board may contract with accountants, financial experts, and other advisors and consultants as necessary to carry out the board's duties under this chapter.

SECTION 64. IC 6-3-2-4, AS AMENDED BY P.L.250-2015, SECTION 16, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2018]: Sec. 4. (a) Each taxable year, an individual, or the individual's surviving spouse, is entitled to **the following:**

(1) An adjusted gross income tax deduction for the first five thousand dollars (\$5,000) of income, ~~including retirement or survivor's benefits;~~ **excluding adjusted gross income described in subdivision (2),** received during the taxable year by the individual, or the individual's surviving spouse, for the individual's service in an active or reserve component of the armed forces of the United States, including the army, navy, air force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana air national guard. ~~However, a person who is less than sixty (60) years of age on the last day of the person's taxable year, is not, for that taxable year, entitled to a deduction under this section for retirement or survivor's benefits.~~

(2) **An adjusted gross income tax deduction of six thousand two hundred fifty dollars (\$6,250) for income from retirement or survivor's benefits received during the taxable year by the individual, or the individual's surviving spouse, for the individual's service in an active or reserve component of the armed forces of the United States, including the army, navy, air force, coast guard, marine corps, merchant marine, Indiana army national guard, or Indiana air national guard.**

(b) An individual whose qualified military income is subtracted from the individual's federal adjusted gross income under IC 6-3-1-3.5(a)(19) for Indiana individual income tax purposes is not, for that taxable year, entitled to a deduction under this section for the ~~individual's same~~ qualified military income **that is deducted under IC 6-3-1-3.5(a)(19).**

SECTION 65. IC 6-3-3-14.6, AS AMENDED BY P.L.181-2016, SECTION 26, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JANUARY 1, 2017 (RETROACTIVE)]: Sec. 14.6. (a) This section applies only to taxable years beginning after December 31, 2015.

(b) As used in this section, "hospital" means an acute care hospital that:

- (1) is licensed under IC 16-21-2;
- (2) is operated on a for-profit basis;
- (3) is subject to the adjusted gross income tax at the rate specified in IC 6-3-2-1(b);
- (4) provides health care, accommodations, facilities, and equipment, in connection with the services of a physician, to individuals who may need medical or surgical services; and
- (5) is not primarily providing care and treatment of patients:



- (A) with a cardiac condition;
- (B) with an orthopedic condition; or
- (C) receiving a surgical procedure.

(c) Each taxable year, a hospital is entitled to a credit against the hospital's adjusted gross income tax liability for the taxable year equal to ~~ten~~ **twenty** percent (~~10%~~) (**20%**) of the property taxes paid in Indiana **on real property** for the taxable year on property used as a hospital.

(d) The credit provided by this section may not exceed the amount of the taxpayer's adjusted gross income tax liability for the taxable year, reduced by the sum of all credits for the taxable year that are applied before the application of the credit provided by this section. The amount of any unused credit under this section for a taxable year may be carried forward to a succeeding taxable year **or may be claimed as a refundable tax credit.**

SECTION 66. IC 6-3.1-30.5-13, AS AMENDED BY P.L.213-2015, SECTION 86, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) ~~This subsection applies to a state fiscal year beginning before July 1, 2015. The total amount of tax credits awarded under this chapter may not exceed seven million five hundred thousand dollars (\$7,500,000) in a state fiscal year.~~

(b) ~~This subsection applies to the state fiscal year beginning July 1, 2015. The total amount of tax credits awarded under this chapter may not exceed eight million five hundred thousand dollars (\$8,500,000) in the state fiscal year.~~

(c) ~~This subsection applies to a state fiscal year beginning after June 30, 2016. (a) The total amount of tax credits awarded under this chapter may not exceed nine million five hundred thousand dollars (\$9,500,000) in a the state fiscal year beginning July 1, 2016, and ending June 30, 2017.~~

(b) **The total amount of tax credits awarded under this chapter in a state fiscal year may not exceed the following:**

- (1) **Twelve million five hundred thousand dollars (\$12,500,000) for the state fiscal year beginning July 1, 2017, and ending June 30, 2018.**
- (2) **Fourteen million dollars (\$14,000,000) for each state fiscal year beginning after June 30, 2018.**

SECTION 67. IC 6-3.6-9-8.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8.5. (a) **The budget agency shall before February 1, 2018, transfer to the state general fund from each county's trust account established under IC 6-3.6 an amount equal to:**

- (1) **the amount of the county's certified distribution under IC 6-3.6 that is allocated to certified shares under IC 6-3.6-6 for calendar year 2017; multiplied by**
- (2) **five-tenths of one percent (0.5%);**

to reimburse the state general fund for expenditures related to the department's information technology modernization project.

(b) **To the extent that the balance in a county's trust account is insufficient for the budget agency to make the entire amount of the transfer required under subsection (a) before February 1, 2018, the budget agency shall make any remaining part of the required transfer from the county's trust account in subsequent years on a schedule determined by the budget agency until the entire amount of the required transfer has been made.**

SECTION 68. IC 8-14-15-4, AS ADDED BY P.L.47-2006, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) ~~The authority shall establish a next generation trust fund to hold title to proceeds transferred to the trust under IC 8-15.5-11 to be used exclusively for~~



the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities. Notwithstanding any law to the contrary, title to any proceeds transferred to and held in the trust as previously established under this chapter, including any money and investments held in the trust and under any trust agreement entered into by the authority and the treasurer of state under section 5 of this chapter as previously in effect before July 1, 2017, shall be transferred to the next level Indiana trust fund established under IC 8-14-15.1.

(b) The trust shall be established as a charitable trust, separate from the state, but for the benevolent public purpose provided in this section. Upon completion of the transfer to the next level Indiana trust fund established under IC 8-14-15.1 as required by this section, the trust shall cease and be of no further force or effect as a charitable trust or otherwise.

(c) The trust consists of the proceeds transferred to the trust under IC 8-15.5-11 and any income that accrues from the investment of these proceeds. All provisions of this chapter that are inconsistent with this section are void and of no further force or effect.

(d) The officers, directors, and employees of the authority and the treasurer of state (whether arising from the capacities of such positions or from having entered in any trust agreement under this chapter as previously in effect before July 1, 2017) are immune from civil liability in connection with any transfer to the next level Indiana trust fund under this section.

SECTION 69. IC 8-14-15.1 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 15.1. Next Level Indiana Trust Fund

Sec. 1. As used in this chapter, "authority" refers to the Indiana finance authority.

Sec. 2. As used in this chapter, "board" refers to the next level Indiana fund investment board established by section 7 of this chapter.

Sec. 3. As used in this chapter, "trust" refers to the next level Indiana trust fund established under section 5 this chapter.

Sec. 4. As used in this chapter, "trustee" refers to the trustee of the trust designated under sections 7 and 9 of this chapter.

Sec. 5. (a) The authority has established the next level Indiana trust fund to hold title to proceeds transferred to the trust under IC 8-15.5-11, including as held in trust under IC 8-14-15-5 as previously in effect before July 1, 2017, to be used exclusively for the provision of highways, roads, and bridges for the benefit of the people of Indiana and the users of those facilities.

(b) The trust as established is a charitable trust, separate from the state, but for the benevolent public purpose provided in this section.

(c) The trust consists of the proceeds transferred to the trust under IC 8-15.5-11, including as held in trust under IC 8-14-15-5, and any income that accrues from the investment of these proceeds.

Sec. 6. The chairman of the authority may enter into a trust agreement on behalf of the authority with the board in furtherance of the purposes of this chapter. Any trust agreement must conform with this chapter. Any provision of the trust agreement entered into under this section that is inconsistent with the provisions or intent of this chapter is void and of no further force or effect.

Sec. 7. (a) The next level Indiana fund investment board is established. The board consists of the following members:

(1) The secretary of commerce or the secretary's designee, who shall serve as the chairperson of the board.



- (2) The director of the office of management and budget or the director's designee.
 - (3) Two (2) individuals appointed by the governor who have experience and knowledge in investments.
 - (4) The treasurer of state or the treasurer's designee.
- (b) The board shall serve as trustee of the trust and direct the investment of the trust.
 - (c) The board shall adopt an investment policy in conformance with section 8 of this chapter.
 - (d) The board shall hold regular meetings at least quarterly. The board may hold special meetings at the call of the treasurer of state or with a written request signed by at least two (2) members of the board.
 - (e) The board may hold its meetings at offices in Indiana that the chairperson or the requesting members designate. All meetings must be open to the public in accordance with IC 5-14-1.5. The board shall keep a record of its proceedings.
 - (f) Three (3) members of the board constitute a quorum for the transaction of business of the board. Each member of the board is entitled to one (1) vote. A vote of at least three (3) members of the board present is required for the board to adopt a resolution or take other action at a regular or special meeting.
- Sec. 8. (a) The board shall adopt an investment policy that includes all the following:**
- (1) For not more than fifty percent (50%) of the money in the trust, the policy may provide that money in the trust may be invested in investments that:
 - (A) maximize risk appropriate returns, which may include the purchase of equity or debt securities;
 - (B) make significant investments in Indiana funds and companies; and
 - (C) have such other investment parameters and procedures as the board determines are prudent to ensure that investments are consistent with this chapter.
 - (2) For at least fifty percent (50%) of the money in the trust, the policy must provide that such money in the trust shall be invested in the same manner as money invested by the Indiana public retirement system as required by subsection (d). The investment policy adopted by the board may not allow the treasurer of state to invest the money in the trust in equity securities under this subdivision.
 - (3) Not more than twenty-five million dollars (\$25,000,000) may be invested in any one (1) particular investment fund or investment firm.
 - (4) Such other investment parameters and procedures as the board determines are prudent to ensure that investments are consistent with this chapter.
- (b) The investment policy adopted by the board must give adequate time to change current investments in a prudent manner.
 - (c) The board may contract with investment management professionals, investment advisers, and legal counsel to assist in the investment of the fund and may pay the expenses incurred under those contracts from the fund.
 - (d) The board has the powers, duties, restrictions, limitations, and penalties in connection with the board's and the treasurer of state's investment and management of the assets of trust as if the following provisions pertaining to the public pension and retirement funds made reference to the trust and the board:
 - (1) IC 5-10.2-2-2.5.
 - (2) IC 5-10.2-2-13.



- (3) IC 5-10.3-5-3.
- (4) IC 5-10.3-5-4.
- (5) IC 5-10.3-5-5.
- (6) IC 5-10.3-5-6.
- (7) IC 5-10.4-3-10.
- (8) IC 5-10.4-3-12.
- (9) IC 5-10.4-3-13.
- (10) IC 5-10.4-3-14.
- (11) IC 5-10.4-3-15.
- (12) IC 5-10.4-3-16.

(e) Compliance with the established investment policy is definitive evidence of compliance with the applicable investment standards in subsection (d).

Sec. 9. The board established by section 7 of this chapter shall act as trustee of the trust.

Sec. 10. A trust established under this chapter may not be revoked or terminated by the authority, the board, the treasurer of state, or any other person, nor may it be amended or altered by the authority, the board, the treasurer of state, or any other person. However, the terms of the trust provide that the trust terminates when no funds remain in the trust.

Sec. 11. (a) The treasurer of state shall:

- (1) administer and manage the trust;
- (2) invest the money in the trust at the direction of the trustee consistent with the investment policies adopted by the board; and
- (3) deposit in the trust:
 - (A) any accrued interest from the investment of money in the trust;
 - (B) proceeds from the sale of trust assets; and
 - (C) other income or returns from the investment of money in the trust.

(b) Notwithstanding IC 5-13, the treasurer of state shall invest the money in the trust not currently needed to meet the obligations of the trust under the investment policies adopted by the board. The treasurer of state on behalf of the board may contract with investment management professionals, investment advisers, and legal counsel to assist in the investment of the trust and may pay the expenses incurred under those contracts from the trust.

(c) IC 4-9.1-1-8 and IC 4-9.1-1-9 do not apply to a trust established under this chapter.

(d) Money and investments in the trust at the end of the state fiscal year do not revert to the state general fund.

Sec. 12. IC 30-2-12 and IC 30-4 do not apply to a trust established under this chapter.

Sec. 13. (a) The principal of the trust may not be distributed during the term of the trust.

(b) The income that accrues from the investment of the trust shall be deposited in the trust.

(c) On March 15 in years set forth in the investment policy adopted by the board, the treasurer of state shall transfer all income accruing to the trust to the major moves construction fund.

Sec. 14. Any records, files, or documents relating to the trust may be examined by the state board of accounts at a time selected by the state board of accounts. The trustee shall upon request of the state board of accounts:

- (1) produce and submit any records, files, or documents related to the trust; and
- (2) assist in every way the state board of accounts in its work in making an examination.



Sec. 15. (a) This section applies to the authority, the board, the treasurer of state, and any other person that does any of the following with respect to the trust established under this chapter:

- (1) Commits a breach of the trust.**
- (2) Violates the mandate of the trust or the trust agreement.**
- (3) Violates a duty imposed by this chapter or the trust agreement.**

(b) The attorney general may petition a court to impose one (1) or more of the following remedies for a breach or violation enumerated in subsection (a):

- (1) Injunctive relief.**
- (2) Appointment of temporary receivers.**
- (3) Permanent removal of any person serving on the board.**
- (4) Appointment of a permanent replacement for any person serving on the board pending approval of a replacement by the governor.**

Any remedy under this subsection is in addition to any other remedy available at law or in equity.

Sec. 16. The trustee shall report to the budget committee every six (6) months concerning the investment of trust assets, the returns on those investments, and other actions taken by the trustee and the board.

SECTION 70. IC 8-15.5-1-2, AS AMENDED BY P.L.181-2016, SECTION 33, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) This article contains full and complete authority for public-private agreements between the authority, a private entity, and, where applicable, a governmental entity. Except as provided in this article, no law, procedure, proceeding, publication, notice, consent, approval, order, or act by the authority or any other officer, department, agency, or instrumentality of the state or any political subdivision is required for the authority to enter into a public-private agreement with a private entity under this article, or for a project that is the subject of a public-private agreement to be constructed, acquired, maintained, repaired, operated, financed, transferred, or conveyed.

(b) Before the authority or the department may issue a request for proposals for or enter into a public-private agreement under this article that would authorize an operator to impose tolls for the operation of motor vehicles on all or part of a toll road project, the general assembly must adopt a statute authorizing the imposition of tolls. However, during the period beginning July 1, 2011, and ending June 30, 2021, and notwithstanding subsection (c), the general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement to authorize an operator to impose tolls for the operation of motor vehicles on all or part of the following projects:

- (1) A project on which construction begins after June 30, 2011, not including any part of Interstate Highway 69 other than a part described in subdivision (4).
- (2) The addition of toll lanes, including high occupancy toll lanes, to a highway, roadway, or other facility in existence on July 1, 2011, if the number of nontolled lanes on the highway, roadway, or facility as of July 1, 2011, does not decrease due to the addition of the toll lanes.
- (3) The Illiana Expressway, a limited access facility connecting Interstate Highway 65 in northwestern Indiana with an interstate highway in Illinois.
- (4) A project that is located within a metropolitan planning area (as defined by 23 U.S.C. 134) and that connects the state of Indiana with the commonwealth of Kentucky.

(c) Before the authority or an operator may carry out any of the following activities under this article, the general assembly must enact a statute authorizing that activity:



- (1) Imposing tolls on motor vehicles for use of Interstate Highway 69.
- (2) Imposing tolls on motor vehicles for use of a nontolled highway, roadway, or other facility in existence or under construction on July 1, 2011, including nontolled interstate highways, U.S. routes, and state routes.

(d) The general assembly is not required to enact a statute authorizing the authority or the department to issue a request for proposals or enter into a public-private agreement for a freeway project.

(e) The authority may enter into a public-private agreement for a facility project if the general assembly, by statute, authorizes the authority to enter into a public-private agreement for the facility project.

(f) As permitted by subsection (e), the general assembly authorizes the authority to enter into public-private agreements for the following facility projects:

- (1) A state park inn and related improvements in an existing state park located in a county with a population of more than two hundred thousand (200,000) and less than three hundred thousand (300,000).

- (2) Communications systems infrastructure, including:

- (A) towers and associated land, improvements, foundations, access roads and rights-of-way, structures, fencing, and equipment necessary, proper, or convenient to enable the towers to function as part of the communications system;

- (B) any equipment necessary, proper, or convenient to transmit and receive voice and data communications; and

- (C) any other necessary, proper, or convenient elements of the communications system.

- (3) Larue D. Carter Memorial Hospital in Indianapolis.

(g) The following apply to a public-private agreement for communications systems infrastructure under subsection (f)(2):

- (1) The authority ~~may~~ **shall**

- ~~(A) use the procedures set forth in IC 8-15.5-4. or~~

- ~~(B) at the authority's option and in its sole discretion, negotiate an agreement with a single offeror.~~

~~The authority must issue a request for information before entering into negotiations with a single offeror. If an agreement is negotiated with a single offeror, IC 8-15.5-4-11 and IC 8-15.5-4-12 are the only sections in IC 8-15.5-4 that apply.~~

- (2) This article, and any other applicable laws with respect to establishing, charging, and collecting user fees, including IC 8-15.5-7, do not apply, and the operator may establish, charge, and collect user fees as set forth in the public-private agreement.

- (3) Notwithstanding IC 8-15.5-5-2(2) providing that all improvements and real property must be owned by the authority in the name of the state or by a governmental entity, or both, the public-private agreement may provide that any improvements on any real property interests may be owned by the authority, a governmental entity, an operator, or a private entity.

- (4) The authority shall transfer money received from an operator under a public-private agreement to the state bicentennial capital account established under IC 4-12-1-14.9.

SECTION 71. IC 8-15.5-3.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 3.5. Requests for Information



Sec. 1. The authority or the department, or both, may issue a request for information for any of the following purposes:

- (1) To consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project.**
- (2) To prepare a request for proposals.**
- (3) To evaluate any aspect of an existing public-private agreement and an associated project.**

Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.

Sec. 3. A response to a request for information is confidential unless, and only to the extent that, the person who submits the response waives confidentiality in writing. The identity of the person submitting the response is a public record.

Sec. 4. An issuer of a request for information is not required to take any action after receiving a response to a request for information.

SECTION 72. IC 8-15.5-4-0.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 0.5. If a public-private agreement for communications systems infrastructure is negotiated with a single offeror under IC 8-15.5-1-2(g)(1)(B), the requirements of this chapter, except sections 11 and 12 of this chapter, do not apply.~~

SECTION 73. IC 8-15.7-3.5 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 3.5. Requests for Information

Sec. 1. The authority or the department, or both, may issue a request for information for any of the following purposes:

- (1) To consider the factors involved in, the feasibility of, or the potential consequences of a contemplated project.**
- (2) To prepare a request for proposals.**
- (3) To evaluate any aspect of an existing public-private agreement and an associated project.**

Sec. 2. Notice of a request for information shall be given in accordance with IC 5-3-1.

Sec. 3. A response to a request for information is confidential unless, and only to the extent that, the person who submits the response waives confidentiality in writing. The identity of the person submitting the response is a public record.

Sec. 4. An issuer of a request for information is not required to take any action after receiving a response to a request for information.

SECTION 74. IC 9-30-5-15, AS AMENDED BY P.L.74-2015, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 15. (a) In addition to any criminal penalty imposed for an offense under this chapter, the court shall:

- (1) order:
 - (A) that the person be imprisoned for at least five (5) days; or
 - (B) the person to perform at least ~~one hundred eighty (180)~~ **two hundred forty (240)** hours of community restitution or service; and

- (2) order the person to receive an assessment of the person's degree of alcohol and drug abuse and, if appropriate, to successfully complete an alcohol or drug abuse treatment program, including an alcohol deterrent program if the person suffers from alcohol abuse;

if the person has one (1) previous conviction of operating while intoxicated.

(b) In addition to any criminal penalty imposed for an offense under this chapter, the court shall:

- (1) order:



- (A) that the person be imprisoned for at least ten (10) days; or
 - (B) the person to perform at least ~~three hundred sixty (360)~~ **four hundred eighty (480)** hours of community restitution or service; and
- (2) order the person to receive an assessment of the person's degree of alcohol and drug abuse and, if appropriate, to successfully complete an alcohol or drug abuse treatment program, including an alcohol deterrent program if the person suffers from alcohol abuse;
- if the person has at least two (2) previous convictions of operating while intoxicated.

(c) Notwithstanding IC 35-50-2-2.2 and IC 35-50-3-1, a sentence imposed under this section may not be suspended. The court may require that the person serve the term of imprisonment in an appropriate facility at whatever time or intervals (consecutive or intermittent) determined appropriate by the court. However:

- (1) at least forty-eight (48) hours of the sentence must be served consecutively; and
 - (2) the entire sentence must be served within six (6) months after the date of sentencing.
- (d) Notwithstanding IC 35-50-6, a person does not earn good time credit (as defined in IC 35-50-6-0.5) while serving a sentence imposed under this section.

SECTION 75. IC 10-17-13-3, AS AMENDED BY P.L.99-2016, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The veterans' affairs trust fund is established as a trust fund to provide a self-sustaining funding source for the military family relief fund established by IC 10-17-12-8 **and for the purposes set forth in IC 10-17-13.5.**

(b) The fund consists of the following:

- (1) Appropriations by the general assembly.
- (2) Donations, gifts, grants, and bequests to the fund.
- (3) Interest and dividends on assets of the funds.
- (4) Money transferred to the fund from other funds.
- (5) Money from any other source deposited in the fund.

(c) The fund is considered a trust fund for purposes of IC 4-9.1-1-7.

SECTION 76. IC 10-17-13.5 IS ADDED TO THE INDIANA CODE AS A **NEW CHAPTER** TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 13.5. Grants for Veterans' Services

Sec. 1. As used in this chapter, "department" refers to the Indiana department of veterans' affairs established by IC 10-17-1-2.

Sec. 2. As used in this chapter, "qualified entity" means an entity that provides services to veterans and is exempt from taxation under Section 501 of the Internal Revenue Code.

Sec. 3. As used in this chapter, "veteran" means an individual residing in Indiana who:

- (1) has served in any branch of the armed forces of the United States or their reserves, in the national guard, or in the Indiana National Guard; and
- (2) has received a discharge from service under honorable conditions.

Sec. 4. (a) The department may make grants to qualified entities to be used for the purpose of providing services to veterans, including the following:

- (1) Programs focused on eliminating homelessness, preventing near term homelessness, and providing safe and secure living conditions.
- (2) Assisting veterans in moving from public housing assistance programs to:
 - (A) home ownership; or
 - (B) stable, long term rental status.



A grant under this chapter for the purpose specified in clause (B) may include up to nine (9) months of rental assistance.

- (3) Assisting veterans in finding and using available federal and state resources.
- (4) Providing therapeutic services.
- (5) Providing job training and job search assistance.

(b) The department may make grants to the provider chosen by the state department of health under section 6 of this chapter to be used for the purpose of providing assistance to the provider to provide diagnostic testing and hyperbaric oxygen treatment to veterans receiving treatment under the pilot program established under section 6 of this chapter. However, a grant under this chapter may not be awarded for the purposes specified in this subsection unless the state department of health has adopted the rules required by section 5 of this chapter. In addition, a grant may not be awarded for the purposes specified in this subsection after the expiration of the pilot program established under section 6 of this chapter.

Sec. 5. The department shall adopt rules under IC 4-22-2 for the provision of grants under this chapter. The rules adopted under this section must address the following:

- (1) Application procedures.
- (2) Eligibility criteria.
- (3) Selection procedures.
- (4) A consideration of the extent to which a qualified entity has used assistance available from other assistance programs before assistance may be provided to the qualified entity from the fund.
- (5) Department oversight and verification of use of funds received by qualified entities.
- (6) Other areas in which the department determines that rules are necessary to ensure the uniform administration of the grant program under this chapter.

Sec. 6. (a) As used in this section, "hyperbaric oxygen treatment" means treatment for traumatic brain injury or posttraumatic stress disorder that is ordered by a health care provider and delivered in a hyperbaric chamber.

(b) The department shall establish a pilot program for the purpose of providing assistance for the provider that has been approved by the state department of health to provide diagnostic testing and hyperbaric oxygen treatment to veterans receiving treatment under section 4(b) of this chapter.

(c) The state department of health shall issue a request for proposals to select one (1) provider that is eligible to offer the treatment described in section 4(b) of this chapter.

(d) An individual veteran is eligible to begin treatment if the service related event that caused the traumatic brain injury or posttraumatic stress disorder happened within the past twelve (12) months.

(e) An individual veteran must pay a co-pay equal to ten percent (10%) of the cost of treatment billed to the department or the state department of health.

(f) A grant under the pilot program established under subsection (b) may be provided only to the provider chosen by the state department of health to provide diagnostic testing and hyperbaric oxygen treatment to veterans.

(g) The state department of health, after consulting with the department, shall adopt rules under IC 4-22-2 to implement section 4(b) of this chapter, including standards for the following:

- (1) Determination by the provider that an individual is a veteran eligible for participation in the program.



(2) Determination by the state department of health that the provider is eligible to participate in the program, including:

- (A) a requirement that the provider must maintain compliance with applicable fire codes, treatment protocols, and state department of health oversight; and**
- (B) other facility standards determined by the state department of health.**

(3) Treatment plan requirements, including the following:

(A) A provider's submission to the state department of health, before providing hyperbaric oxygen treatment to a veteran, of a treatment plan that includes:

- (i) a health care provider's prescription for hyperbaric oxygen treatment;**
- (ii) verification by the provider that the veteran is eligible for participation in the program and voluntarily accepts treatment through the program;**
- (iii) an estimate of the cost of the veteran's treatment; and**
- (iv) any other information required by the state department of health.**

(B) A reasonable time frame for:

- (i) approval or disapproval by the state department of health of a treatment plan described in clause (A); and**
- (ii) notice to the provider of approval or disapproval of the treatment plan.**

(C) Contingent on sufficient funding available in the fund, approval of each treatment plan that meets the requirements established by the state department of health under this section.

(D) The sources of funding for the estimated treatment cost for each veteran whose treatment plan is approved under this section.

(4) Criteria for approval of payment for treatment that has been verified by the state department of health to have been provided under a treatment plan approved under subdivision (3), including:

(A) whether a drug or device used in the treatment plan has been approved for any purpose by the federal Food and Drug Administration;

(B) health improvement of the veteran receiving the treatment, as demonstrated through:

- (i) standardized, independent pretreatment and posttreatment neuropsychological testing;**
- (ii) nationally accepted survey instruments;**
- (iii) neurological imaging; or**
- (iv) clinical examination; and**

(C) receipt by the state department of health of pretreatment and posttreatment evaluation documentation.

(5) Confidentiality of all individually identifiable patient information of a veteran. However, subject to the requirements of the federal Health Insurance Portability and Accountability Act and any other applicable medical record laws, all data and information from which the identity of an individual veteran cannot be reasonably ascertained must be available to the general assembly, participating institutional review boards, participating health care providers, medical researchers, and other governmental agencies.

(h) This section expires June 30, 2019.

SECTION 77. IC 12-11-14-10.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 10.5. The treasurer of state, as chairperson**



of the board, shall administer, manage, and direct the affairs of the board under the policies and direction of the board. In carrying out these duties, the chairperson may do the following:

- (1) Approve all accounts for salaries and allowable expenses of the board, including:
 - (A) the employment of attorneys, consultants, employees, and agents that may be necessary to assist the chairperson in carrying out the duties; and
 - (B) the setting of compensation of persons described in clause (A).
- (2) Approve all expenses incidental to the operation of the authority.
- (3) Perform those duties and functions that are delegated to the chairperson by the board or that are necessary to carry out the duties of the chairperson under this chapter.

SECTION 78. IC 12-15-1.3-18 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 18. (a) The definitions set forth in 460 IAC 6-3 as of January 1, 2017, apply to the terms that are used in this section.**

(b) The office of the secretary shall increase the reimbursement rate for services if the services are provided as follows:

- (1) The services are provided to an individual who receives services under a Medicaid waiver under the federal home and community based services program.
- (2) The individual is authorized under the Medicaid waiver described in subdivision (1) to receive any of the following services:
 - (A) Adult day services.
 - (B) Prevocational services.
 - (C) Residential habilitation and support.
 - (D) Respite.
 - (E) Supported employment and extended services as defined in the family supports Medicaid waiver.
 - (F) Community habilitation and participation services.
 - (G) Workplace assistance, as defined in the family supports Medicaid waiver and the community integration habilitation Medicaid waiver.
 - (H) Facility habilitation.
 - (I) Residential habilitation and support (RHS daily).
 - (J) Transportation services.
 - (K) Participant assistance and care, as defined in the family supports Medicaid waiver.
 - (L) Facility based support, as defined in the family supports Medicaid waiver and the community integration habilitation Medicaid waiver.
- (3) The services are delivered to the individual by a direct care staff.

(c) The amount of the increase in the reimbursement rate described in subsection (b) for a state fiscal year beginning July 1, 2017, or thereafter is the reimbursement rate in effect as of June 30, 2017, for the services listed in subsection (b)(2) multiplied by five percent (5%).

(d) An authorized service provider shall use at least seventy-five percent (75%) of the amount of the increase in the reimbursement rate to increase the wages paid to direct care staff who:

- (1) are employed by the authorized service provider to provide services in Indiana; and
- (2) provide support services listed in subsection (b)(2).

(e) If a provider does not use at least seventy-five percent (75%) of the increase to increase wages paid to direct care staff, the office shall recoup part or all of the increase in the reimbursement rate that the provider receives as provided in subsection (g).



(f) An authorized service provider providing services in Indiana shall provide written and electronic notification of its plan to increase wages to:

- (1) direct care staff employed by the provider; and**
- (2) the office of the secretary;**

within thirty (30) days after the office implements an increase in reimbursement rates.

(g) The office may recoup the difference between seventy-five percent (75%) of the amount received by a provider as a result of increased reimbursement rates and the amount of the increase that is actually used by the provider to pay an increase in wages to direct care staff. The remaining twenty-five percent (25%) may be retained by the provider to cover the other employer related costs of providing direct care services, including payroll taxes, benefits, and paid time for nondirect services such as paid time off and training.

(h) Providers shall maintain all books, documents, papers, accounting records, and other evidence required to support the reporting of payroll information for increased wages to direct care staff. Wages are defined as total compensation less overtime and shift differential for direct care staff providing services to individuals receiving the services described in subsection (b)(2) as reported on the provider's payroll records. Providers shall make these materials available at their respective offices at all reasonable times and for three (3) years from the date of final payment for the services listed in subsection (b)(2) for inspection by the state or its authorized designees. Providers shall furnish copies at no cost to the state if requested.

(i) The office or its designee may recoup all or a part of the amount paid using the increased reimbursement rates based upon an audit or review of the supporting documentation required to be maintained under subsection (h) if the provider cannot provide adequate documentation to support the increased wages to direct care staff.

(j) If required, the office shall file Medicaid waiver amendments for the family supports Medicaid waiver and the community integration and habilitation Medicaid waiver related to rate increases and Medicaid waiver caps only on or before September 30, 2017, with the earliest possible effective date allowed by the federal Centers for Medicare and Medicaid Services. If the federal Centers for Medicare and Medicaid Services deny the Medicaid waiver amendments, the office may modify the waiver amendment request. If a waiver amendment is not approved, rate increases may not be granted under this section.

(k) This section may not be construed as creating an employment relationship of any kind between office staff and direct care staff of an authorized service provider.

SECTION 79. IC 12-15-34-14.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 14.5. (a) This section is effective beginning July 1, 2017.

(b) The office of the secretary may not reduce reimbursement for home health services.

(c) 405 IAC 1-4.2-4(l) and any successor rule concerning reducing home health services reimbursement are void and may not be renewed or otherwise implemented.

SECTION 80. IC 14-22-7-4, AS AMENDED BY P.L.289-2013, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]: Sec. 4. (a) An electronically generated stamp shall be issued to each hunting license applicant or holder upon request and the payment of a fee of six dollars and seventy-five cents (\$6.75). Each stamp expires on March 31 of the year following issuance.

(b) The department may set a license fee to hunt a migratory waterfowl above the fee established under subsection (a).



(c) The fees collected shall be deposited in the fish and wildlife fund and credited to a special account to be used as provided in section 5 of this chapter. However, the fees collected do not have to be credited to the special account if the budget agency finds that it would reduce the balance in the fish and wildlife fund to less than three million dollars (\$3,000,000) at the end of the state fiscal year.

SECTION 81. IC 14-22-7-5 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:
Sec. 5. (a) The department shall contract annually with an appropriate nonprofit organization to use fifty percent (50%) of the revenue ~~collected~~ **credited to the special account** under **section 4** of this chapter for development of waterfowl propagation areas. Before paying the revenue to a nonprofit corporation developing waterfowl areas, the department must obtain evidence that the project is acceptable to the appropriate agency having jurisdiction over the land and water affected by the project.

(b) The department shall spend fifty percent (50%) of the revenue ~~collected~~ **credited to the special account** under **section 4** of this chapter:

- (1) for the acquisition or development of wetlands in Indiana; or
- (2) to participate in the joint funding of North American waterfowl management plans.

SECTION 82. IC 14-22-8-6 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:
Sec. 6. (a) The game bird habitat restoration fund is established as a dedicated fund.

(b) The department shall administer the fund. The director may expend the money in the fund exclusively for the purpose of restoring the habitat of the various game birds in Indiana.

(c) The proceeds from the sale of stamps shall be deposited in **and transferred from the fish and wildlife fund** to the fund. **However, a transfer is not required if the budget agency finds that it would reduce the balance in the fish and wildlife fund to less than three million dollars (\$3,000,000) at the end of the state fiscal year.**

(d) Money in the fund does not revert to the state general fund at the end of a state fiscal year. If the fund is abolished, the contents revert to the fish and wildlife fund.

SECTION 83. IC 14-22-12-3 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 1, 2017]:
Sec. 3. The department shall deposit in the ~~deer research and management~~ **fish and wildlife** fund twenty dollars (\$20) from the cost of every nonresident license to hunt deer for any time in any manner. **The department shall transfer the revenue deposited under this section from the fish and wildlife fund to the deer research and management fund. However, a transfer is not required if the budget agency finds that it would reduce the balance in the fish and wildlife fund to less than three million dollars (\$3,000,000) at the end of the state fiscal year.**

SECTION 84. IC 15-19-2-10, AS ADDED BY P.L.2-2008, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. (a) The standardbred horse fund is established.

(b) The money received by the Indiana horse racing commission under this chapter shall be deposited in the standardbred horse fund. ~~The standardbred horse fund is a nonbudgetary fund.~~ Money remaining in the standardbred horse fund at the end of a state fiscal year does not revert to the state general fund.

(c) After considering the recommendations of the advisory board, the Indiana horse racing commission may disburse money from the standardbred horse fund for any purpose described in section 8 of this chapter.

(d) The Indiana horse racing commission shall pay any expense incurred in administering this chapter from the standardbred horse fund.

(e) Money in the fund is continuously appropriated to the Indiana horse racing commission to carry out the purposes of this chapter.



SECTION 85. IC 16-21-10-21, AS ADDED BY P.L.205-2013, SECTION 214, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 15, 2017]: Sec. 21. This chapter expires June 30, ~~2017~~ **2019**.

SECTION 86. IC 16-28-2.5-4, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. As used in this chapter, "replacement facility" means a new comprehensive care health facility licensed under or subject to this article after July 1, 2015, that:

- (1) is constructed to take the place of an existing comprehensive care health facility that is licensed before ~~July 2, 2015~~; **July 1, 2017**;
- (2) is constructed within the same county as the existing comprehensive care health facility licensed before ~~July 2, 2015~~; **July 1, 2017**; and
- (3) contains no more comprehensive care beds than the existing comprehensive care health facility licensed before ~~July 2, 2015~~; **July 1, 2017**.

SECTION 87. IC 16-28-2.5-6, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) Except as provided in subsection (b), the state department may not approve the following:

- (1) The licensure of:
 - (A) comprehensive care health facilities; or
 - (B) new or converted comprehensive care beds.
- (2) The certification of new or converted comprehensive care beds for participation in the state Medicaid program unless the statewide comprehensive care bed occupancy rate is more than ninety-five percent (95%), as calculated annually on January 1 by the state department.
- (3) Transfer between any comprehensive care facilities of licensed comprehensive care beds or comprehensive care bed certifications for participation in the state Medicaid program.

Beds in a health facility that provides residential nursing care under IC 16-28 may not be converted to comprehensive care beds.

(b) This section does not apply to the following:

- (1) A comprehensive care health facility that:
 - (A) is licensed under;
 - (B) is to be licensed under;
 - (C) is subject to; or
 - (D) will be subject to;

this article and that is under development as of July 1, 2015.

(2) A small house health facility approved under section 7 of this chapter.

(3) A replacement facility, whether or not the replacement facility is under development before July 2, 2015. The existing comprehensive care health facility that is being replaced by the replacement facility:

- (A) must no longer be licensed as a comprehensive care health facility sixty (60) days after the replacement facility obtains its license from the state department; and
- (B) may transfer any of the comprehensive care beds to the replacement facility: **comprehensive care health facility that meets the conditions set forth in section 6.5 of this chapter.**

(4) A continuing care retirement community that was registered under IC 23-2 before July 2, 2015, and that continuously maintains its registration under IC 23-2. If a continuing care retirement community fails to maintain registration under IC 23-2 after July 1, 2015, the comprehensive care beds, including beds certified for use in the state Medicaid program or the Medicare program, that



the continuing care retirement community previously operated are not forfeited as long as the continuing care retirement community continues to comply with the licensure and certification requirements of this article.

(5) A comprehensive care health facility or a comprehensive care bed that is to be added or certified in the state Medicaid program in a county where the county's comprehensive care bed occupancy rate exceeds ninety percent (90%), as calculated by the state department on January 1 and July 1 of each year. The number of comprehensive care beds allowed under this subdivision may not exceed either:

(A) the number of beds that would cause the county occupancy rate to fall below the statewide average; or

(B) seventy (70) comprehensive care beds per applicant.

(6) A comprehensive care health facility that undergoes a change of ownership for purposes of:

(A) the granting of a license by the state department to operate the comprehensive care health facility; and

(B) the maintenance for any of the beds in the comprehensive care health facility, including Medicaid certified beds, by the entity granted a license by the state department.

However, after the change of ownership, the comprehensive care health facility is subject to subsection (a) unless the comprehensive care health facility meets the requirements under another subdivision under this subsection.

(c) The state department shall make the final determination concerning whether an entity has met or is meeting the requirements of this chapter concerning being under development.

SECTION 88. IC 16-28-2.5-6.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 6.5. A person may qualify for an exemption under section 6(b)(3) of this chapter, and the state department may approve a construction permit, a new or amended license to operate, or Medicaid certification for a comprehensive care health facility, if any of the following are met:**

(1) The applicant is a replacement facility, and the comprehensive care health facility that is being replaced by the replacement facility:

(A) will no longer be licensed as a comprehensive care health facility sixty (60) days after the replacement facility obtains a license from the state department; and

(B) transfers any of the comprehensive care beds, including the certification status of the beds, to the replacement facility.

(2) The applicant is currently licensed to operate at least one (1) existing comprehensive care health facility, and the applicant has identified at least one (1) comprehensive care health facility that has agreed to transfer any of the comprehensive care health facility's comprehensive care beds, including the certification status of the beds to the applicant. A comprehensive care health facility transferring the licensure and certification of any comprehensive care beds to the applicant under this subdivision will no longer be licensed as a comprehensive care health facility sixty (60) days after the applicant obtains a license from the state department for additional comprehensive care beds.

(3) The applicant will be constructing at least one (1) comprehensive care health facility and meets the following criteria:

(A) The applicant has identified at least two (2) comprehensive care health facilities that have agreed to transfer any of the comprehensive care health facilities' beds, including the



certification status of the comprehensive care beds, to the applicant's new comprehensive care health facility.

(B) The number of comprehensive care health facilities seeking to transfer comprehensive care beds to an applicant exceeds the number of new comprehensive care health facilities being constructed by the applicant.

(C) Unless granted an exception by both the state department and the office of Medicaid policy and planning, if a comprehensive care health facility seeking to transfer comprehensive care beds is located in a medically underserved area, as designated by the federal Health Resources & Services Administration, at least one (1) of the new comprehensive care health facilities must be constructed within five (5) minutes drive time or five (5) miles of the comprehensive care health facility that is located in the medically underserved area.

(D) The comprehensive care health facility transferring a comprehensive care bed, including the certified status of the comprehensive care bed, is no longer licensed as a comprehensive care health facility sixty (60) days after the applicant obtains a license from the state department.

SECTION 89. IC 16-28-2.5-8, AS ADDED BY P.L.257-2015, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 8. This chapter expires June 30, ~~2018~~: **2019**.

SECTION 90. IC 16-28-15-14, AS AMENDED BY P.L.205-2013, SECTION 217, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 15, 2017]: Sec. 14. This chapter expires June 30, ~~2017~~: **2019**.

SECTION 91. IC 20-18-2-2, AS AMENDED BY P.L.205-2013, SECTION 220, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. "ADM", except as otherwise provided by law, refers to ~~the fall count of eligible pupils under IC 20-43-4-3 conducted in current ADM under IC 20-43-4~~ for the school year ending in the current calendar year.

SECTION 92. IC 20-18-2-4.5, AS ADDED BY P.L.205-2013, SECTION 222, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.5. "Fall count" has the meaning set forth in IC 20-43-1-12.3 **(before its repeal on July 1, 2017)**.

SECTION 93. IC 20-18-2-18.5, AS ADDED BY P.L.205-2013, SECTION 223, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18.5. "Spring count" ~~has the meaning set forth in IC 20-43-1-24.5~~: **refers to the informational spring count of eligible pupils under IC 20-43-4**.

SECTION 94. IC 20-18-2-22, AS AMENDED BY P.L.213-2015, SECTION 151, AND AS AMENDED BY P.L.219-2015, SECTION 1, IS CORRECTED AND AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 22. (a) "Teacher" means a professional person whose position in a school corporation requires certain educational preparation and licensing and whose primary responsibility is the instruction of students.

(b) For purposes of IC 20-28, the term includes the following:

- (1) A superintendent who holds a license under IC 20-28-5.
- (2) A principal.
- (3) A teacher.
- (4) A librarian.
- (5) A school counselor.
- (6) *A school psychologist.*

(c) For purposes of ~~IC 20-43-10-3~~, **IC 20-43-10-3.5**, the term means a professional person whose position with a:



- (1) school corporation;
- (2) special education cooperative established under IC 20-35-5;
- (3) cooperative career and technical education program;
- (4) special education program established by an interlocal agreement under IC 36-1-7;
- (5) joint program agreement established under IC 20-26-10; or
- (6) charter school;

requires a license (as defined in IC 20-28-1-7) and whose primary responsibility is the instruction of students **in the classroom or virtual classroom.**

SECTION 95. IC 20-19-6-10 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. This chapter expires July 1, 2018.**

SECTION 96. IC 20-20-13-17, AS AMENDED BY P.L.205-2013, SECTION 225, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 17. The total technology plan grant amount to a qualifying school corporation is the amount determined by the department multiplied by the school corporation's ~~current ADM~~, as determined:

- (1) for a calendar year ending before January 1, 2014, in the fall count of students in the school year ending in the current calendar year; and
- (2) for a calendar year ending after December 31, 2013, in the ~~spring~~ **fall** count of students **under IC 20-43-4** in the school year ending in the current calendar year.

The amount is one hundred dollars (\$100). However, for the purposes of determining the current ADM of a school corporation, students who are transferred under IC 20-33-4 or IC 20-26-11 shall be counted as students having legal settlement in the transferee corporation and not having legal settlement in the transferor corporation.

SECTION 97. IC 20-24-7-13, AS AMENDED BY P.L.213-2015, SECTION 160, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. (a) As used in this section, "virtual charter school" means any charter school, including a conversion charter school, that provides for the delivery of more than fifty percent (50%) of instruction to students through:

- (1) virtual distance learning;
- (2) online technologies; or
- (3) computer based instruction.

(b) A virtual charter school may apply for authorization with any statewide authorizer in accordance with the authorizer's guidelines.

(c) For ~~each~~ state fiscal ~~years beginning after June 30, 2013, year,~~ a virtual charter school is entitled to receive funding in a month from the state in an amount equal to the sum of:

- (1) the product of:
 - (A) the number of students included in the virtual charter school's current ADM; multiplied by
 - (B) the result of:
 - (i) ninety percent (90%) of the school's foundation amount determined under ~~IC 20-43-5-4;~~ **IC 20-43-3-8**; divided by
 - (ii) twelve (12); plus
- (2) the total of any:
 - (A) special education grants under IC 20-43-7;
 - (B) career and technical education grants under IC 20-43-8;
 - (C) honor grants under IC 20-43-10; and
 - (D) complexity grants under IC 20-43-13;



to which the virtual charter school is entitled for the month.

For **each** state fiscal years beginning after June 30, 2013, year, a virtual charter school is entitled to receive special education grants under IC 20-43-7 calculated in the same manner as special education grants are calculated for other school corporations.

(d) The state board shall adopt rules under IC 4-22-2 to govern the operation of virtual charter schools.

(e) The department, with the approval of the state board, shall before December 1 of each year submit an annual report to the budget committee concerning the program under this section.

(f) Each school year, at least sixty percent (60%) of the students who are enrolled in virtual charter schools under this section for the first time must have been included in the state's fall count of ADM conducted in the previous school year.

(g) Each virtual charter school shall report annually to the department concerning the following, on a schedule determined by the department:

(1) Classroom size.

(2) The ratio of teachers per classroom.

(3) The number of student-teacher meetings conducted in person or by video conference.

(4) Any other information determined by the department.

The department shall provide this information annually to the state board of education and the legislative council in an electronic format under IC 5-14-6.

SECTION 98. IC 20-24-7-13.5, AS AMENDED BY P.L.213-2015, SECTION 161, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 13.5. (a) This section applies to the following charter schools:

(1) The Excel Centers for Adult Learners.

(2) The Christel House Academy ~~DOR center~~: **DORS centers.**

(3) The Gary Middle College charter ~~school~~: **schools.**

(b) Notwithstanding any other law, for a state fiscal years beginning after June 30, 2015, year, a charter school described in subsection (a) is entitled to receive funding from the state in an amount equal to the product of:

(1) the charter school's number of students who are Indiana residents (expressed as full-time equivalents); multiplied by

(2) six thousand ~~six~~ **seven** hundred ~~fifty~~ **fifty** dollars (~~\$6,600~~): **(\$6,750) beginning July 1, 2017.**

(c) However, in the case of the charter school described in subsection (a)(3), the funding under this section applies only for those students who are twenty-two (22) years of age and older. In addition, the total number of students (expressed as full-time equivalents) of all adult learners in charter schools covered by this section may not exceed the following:

~~(1) For the 2015-2016 state fiscal year:~~

~~(A) For the Christel House Academy DOR center, four hundred forty (440) adult learner students.~~

~~(B) For the Gary Middle College charter school, one hundred fifty (150) adult learner students.~~

~~(C) For the Excel Centers for Adult Learners, three thousand eight hundred sixty-five (3,865) adult learner students.~~

~~(2)~~ **(1)** For the 2016-2017 state fiscal year:

(A) For the Christel House Academy DOR center, four hundred forty (440) adult learner students.

(B) For the Gary Middle College charter school, one hundred fifty (150) adult learner students.



- (C) For the Excel Centers for Adult Learners, five thousand five (5,005) adult learner students.
- (2) For the 2017-2018 state fiscal year:**
 - (A) For the Christel House DORS centers, six hundred seventy-five (675) adult learner students.**
 - (B) For the Gary Middle College charter schools, two hundred (200) adult learner students.**
 - (C) For the Excel Centers for Adult Learners, four thousand two hundred fifty (4,250) adult learner students.**
- (3) For the 2018-2019 state fiscal year:**
 - (A) For the Christel House DORS centers, eight hundred twenty-five (825) adult learner students.**
 - (B) For the Gary Middle College charter schools, two hundred (200) adult learner students.**
 - (C) For the Excel Centers for Adult Learners, four thousand seven hundred (4,700) adult learner students.**

(e) (d) A charter school described in subsection (a) is entitled to receive federal special education funding.

(e) (e) The state funding under this section shall be paid each state fiscal year under a schedule set by the budget agency and approved by the governor. However, the schedule shall provide for at least twelve (12) payments, that one (1) payment shall be made at least every forty (40) days, and the aggregate of the payments in each state fiscal year shall equal the amount required under this section. However, if the appropriations for this purpose are insufficient, the distributions to each recipient shall be reduced proportionately.

(e) (f) A charter school that receives funding as provided in this section must report the following information annually to the state board and (in an electronic format under IC 5-14-6) to the legislative council, on a schedule specified by the state board:

- (1) The number of adult learners enrolled in the charter school during the preceding year.
- (2) The demographics of the adult learners enrolled in the charter school during the preceding year (in a format requested by the state board).
- (3) The graduation rates of the adult learners enrolled in the charter school during the preceding year.
- (4) The outcomes for adult learners enrolled in the charter school, as of graduation and as of two (2) years after graduation. A charter school must include information concerning students' job placement outcomes, information concerning students' matriculation into higher education, and any other information concerning outcomes required by the state board.

(g) This section expires June 30, ~~2017~~ **2019**.

SECTION 99. IC 20-25.7-5-2, AS AMENDED BY P.L.179-2016, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) Notwithstanding IC 20-26-7-1, the board may enter into an agreement with an organizer to reconstitute an eligible school as a participating innovation network charter school or to establish a participating innovation network charter school within a vacant, underutilized, or underenrolled school building, as determined by the board.

(b) The terms of the agreement entered into between the board and an organizer must specify the following:



(1) A statement that the organizer authorizes the department to include the charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board.

(2) The amount of state funding, including tuition support **(if the participating innovation network charter school is treated in the same manner as a school operated by the school corporation under subsection (d)(2))**, and money levied as property taxes that will be distributed by the school corporation to the organizer,

(3) The performance goals and accountability metrics agreed upon for the charter school in the charter agreement between the organizer and the authorizer.

(c) If an organizer and the board enter into an agreement under subsection (a), the organizer and the board shall notify the department that the agreement has been made under this section within thirty (30) days after the agreement is entered into.

(d) Upon receipt of the notification under subsection (c), for school years starting after the date of the agreement:

(1) the department shall include the participating innovation network charter school's performance assessment results under IC 20-31-8 when calculating the school corporation's performance assessment under rules adopted by the state board;

(2) the department shall treat the participating innovation network charter school in the same manner as a school operated by the school corporation when calculating the total amount of state funding to be distributed to the school corporation **unless subsection (e) applies**; and

(3) if requested by a participating innovation network charter school that reconstitutes an eligible school, the department may use student growth as the state board's exclusive means to determine the innovation network charter school's category or designation of school improvement under 511 IAC 6.2-10-10 for a period of three (3) years.

(e) If a participating innovation network school was established before January 1, 2016, and for the current school year has a complexity index that is greater than the complexity index for the school corporation that the innovation network school has contracted with, the innovation network school shall be treated as a charter school for purposes of determining tuition support. This subsection expires June 30, 2019.

SECTION 100. IC 20-26-7-1, AS AMENDED BY P.L.5-2015, SECTION 47, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:Sec. 1. (a) As used in this section, "charter school" has the meaning set forth in IC 20-24-1-4 and includes a group or entity seeking approval from an authorizer to operate a charter school under IC 20-24-3.

(b) Except as otherwise provided in this section, if a governing body of a school corporation determines that any real or personal property:

(1) is no longer needed for school purposes; or

(2) should, in the interests of the school corporation, be exchanged for other property;



the governing body may sell or exchange the property in accordance with IC 36-1-11.

(c) Money derived from the sale or exchange of property under this section shall be placed in any school fund:

- (1) established under applicable law; and
- (2) that the governing body considers appropriate.

(d) A governing body may not make a covenant that prohibits the sale of real property to another educational institution.

(e) This subsection does not apply to a school building that on July 1, 2011, is leased or loaned by the school corporation that owns the school building to another entity, if the entity is not a building corporation or other entity that is related in any way to, or created by, the school corporation or the governing body. Except as provided in subsections (k) through ~~(n)~~; **(o)**, a governing body shall make available for lease or purchase to any charter school any school building owned by the school corporation or any other entity that is related in any way to, or created by, the school corporation or the governing body, including but not limited to a building corporation, that:

- (1) either:
 - (A) is not used in whole or in part for classroom instruction at the time the charter school seeks to lease the building; or
 - (B) appears on the list compiled by the department under subsection (f); and
- (2) was previously used for classroom instruction;

in order for the charter school to conduct classroom instruction.

(f) Not later than August 1 each calendar year, each governing body shall inform the department if a school building that was previously used for classroom instruction is closed, unused, or unoccupied. The department shall maintain a list of closed, unused, or unoccupied school buildings and make the list available on the department's Internet web site. Each school corporation shall provide a list of closed, unused, or unoccupied buildings to the department by the date set by the department. The department must update the list not later than fifteen (15) days after being notified of a closed, unused, or unoccupied building.

(g) A school building that appears for the first time on the department's list under subsection (f) shall be designated as "Unavailable until (a date two (2) years after the school building first appears on the list)" if the governing body of the school corporation that owns the school building indicates to the department, on a form prescribed by the department, that the school building may be reclaimed during that period for classroom instruction. If a governing body does not indicate that a school building may be reclaimed, the governing body shall designate the school building as "Available" on the department's list. The governing body may change the designation of a building from unavailable to available at any time. **If the designation of a school building is "Available" on the department's list, the governing body of the school corporation that owns the school building may reclaim the school building for classroom instruction at any time before the submission of a letter of intent by a charter school**



under subsection (h) by indicating to the department, on a form prescribed by the department, that the school desires to reclaim the building for classroom instruction. The department shall remove the school building from the department's list under subsection (f). If a school building that is designated as unavailable on the department's list remains unused for classroom instruction one (1) year after being reclaimed under this subsection, the governing body shall designate the school building as "Available" on the department's list. A governing body may reclaim a school building only one (1) time under this subsection.

(h) If a charter school wishes to use a school building on the list created under subsection (f), the charter school shall send a letter of intent to the department. Within thirty (30) days after receiving a letter from a charter school, the department shall notify the school corporation of the charter school's intent, and, within thirty (30) days after receiving notification from the department, the school corporation that owns the school building shall lease the school building to the charter school for one dollar (\$1) per year for as long as the charter school uses the school building for classroom instruction or for a term at the charter school's discretion, or sell the school building to the charter school for one dollar (\$1). The charter school must begin to use the school building for classroom instruction not later than two (2) years after acquiring the school building. If the school building is not used for classroom instruction within two (2) years after acquiring the school building, the school building shall be placed on the department's list under subsection (f). If during the term of the lease the charter school closes or ceases using the school building for classroom instruction, the school building shall be placed on the department's list under subsection (f). If a school building is sold to a charter school under this subsection and the charter school or any entity related to the charter school subsequently sells or transfers the school building to a third party, the charter school or related entity must transfer an amount equal to the gain in the property minus the adjusted basis (including costs of improvements to the school building) to the school corporation that initially sold the vacant school building to the charter school. Gain and adjusted basis shall be determined in the manner prescribed by the Internal Revenue Code and the applicable Internal Revenue Service regulations and guidelines.

(i) During the term of a lease under subsection (h), the charter school is responsible for the direct expenses related to the school building leased, including utilities, insurance, maintenance, repairs, and remodeling. The school corporation is responsible for any debt incurred for or liens that attached to the school building before the charter school leased the school building.

(j) ~~Notwithstanding anything to the contrary in this section, and~~ With the sole exception of a waiver provided in ~~subsection (n); this section~~, when a school building is designated as "Available" under subsection (g), the school building must remain designated as "Available", **unless it is reclaimed under subsection (g)**, and may not be sold or otherwise disposed of for at least two (2) years. When the two (2) year period has elapsed, the school corporation may sell or otherwise dispose of the school building in accordance with IC 36-1-11.



(k) Notwithstanding subsection (e), a governing body may request a waiver from the department from the requirements of subsection (e). In order for a governing body to receive a waiver under subsection (n), the governing body must apply to the department, on a form prescribed by the department, for the waiver. The application must include a statement that the governing body believes that a charter school would not be interested in leasing or purchasing the vacant or unused school building.

(l) If the department receives a waiver request under subsection (k), the department, within five (5) days after receiving the waiver request under subsection (k), shall notify each charter school authorizer and statewide organization representing charter schools in Indiana by certified mail of the waiver request received under subsection (k). The notice must include a copy of the governing body's waiver request.

(m) Not later than thirty (30) days after a charter school authorizer or statewide organization representing charter schools in Indiana receives a notice described in subsection (l), the charter school authorizer or a statewide organization representing charter schools may submit a qualified objection to the governing body's request for a waiver under subsection (k). The qualified objection must be submitted to the department in writing. In order for an objection to be considered a qualified objection by the department, the objection must include:

- (1) the name of the charter school that is interested in leasing or purchasing the vacant or unused school building; and
- (2) a time frame, which may not exceed one (1) year from the date of the objection, in which the charter school intends to begin providing classroom instruction in the vacant or unused school building.

(n) If the department receives a qualified objection under subsection (m), the vacant or unused school building shall remain on the department's list under subsection (f) with the designation with which the building is listed under subsection (g) at the time the department receives the waiver request. If the department does not receive a qualified objection, the department shall grant the governing body's request for a waiver. A governing body that receives a waiver under this subsection may sell or otherwise dispose of the unused or vacant school building in accordance with IC 36-1-11.

(o) The governing body of the School City of East Chicago school corporation may request a waiver from the department from the requirements of subsection (e) for the Carrie Gosch Elementary School building. If requested, the department shall grant the waiver. To receive the waiver, the governing body must apply to the department on a form prescribed by the department.

SECTION 101. IC 20-29-6-4, AS AMENDED BY P.L.213-2015, SECTION 186, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) A school employer shall bargain collectively with the exclusive representative on the following:

- (1) Salary.
- (2) Wages.
- (3) Salary and wage related fringe benefits, including accident, sickness, health, dental, vision, life, disability, retirement benefits, and paid time off as permitted to be bargained under IC 20-28-9-11.



(b) Salary and wages include the amounts of pay increases available to employees under the compensation plan adopted under IC 20-28-9-1.5, but do not include the teacher evaluation procedures and criteria, any components of the teacher evaluation plan, rubric, or tool, or any performance stipend or addition to base salary based on a ~~performance~~ stipend to an individual teacher under ~~IC 20-43-10-3~~. **IC 20-43-10-3.5.**

SECTION 102. IC 20-29-6-4.5, AS AMENDED BY P.L.213-2015, SECTION 187, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4.5. (a) For a contract entered into after June 30, 2011, a school employer may not bargain collectively with the exclusive representative on the following:

- (1) The school calendar.
- (2) Teacher dismissal procedures and criteria.
- (3) Restructuring options available to a school employer under federal or state statutes, regulations, or rules because of the failure of the school corporation or a school to meet federal or state accountability standards.
- (4) The ability of a school employer to contract, partner, or operate jointly with an educational entity that provides postsecondary credits to students of the school employer or dual credits from the school employer and the educational entity.
- (5) Any subject not expressly listed in section 4 of this chapter.

(b) For a contract entered into after January 1, 2015, for a school year beginning after June 30, 2015, a school employer may not bargain collectively with the exclusive representative for the following:

- (1) A matter described in subsection (a).
- (2) A matter that another statute specifies is not subject to collective bargaining, including IC 20-28-9-1.5 and ~~IC 20-43-10-3~~. **IC 20-43-10-3.5.**

(c) A subject set forth in subsection (a) or (b) that may not be bargained collectively may not be included in an agreement entered into under this article.

SECTION 103. IC 20-29-6-7, AS AMENDED BY P.L.106-2016, SECTION 11, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. A school employer shall discuss with the exclusive representative of certificated employees the following items:

- (1) Curriculum development and revision.
- (2) Selection of curricular materials.
- (3) Teaching methods.
- (4) Hiring, evaluation, promotion, demotion, transfer, assignment, and retention of certificated employees.
- (5) Student discipline.
- (6) Expulsion or supervision of students.
- (7) Pupil/teacher ratio.
- (8) Class size or budget appropriations.



- (9) Safety issues for students and employees in the workplace, except those items required to be kept confidential by state or federal law.
- (10) Hours.
- (11) Funding for a plan for a remediation program for any subset of students enrolled in kindergarten through grade 12.
- (12) The following nonbargainable items under ~~IC 20-43-10-3~~: **IC 20-43-10-3.5**:
 - (A) ~~Performance~~ **Teacher appreciation** grants.
 - (B) Individual ~~performance~~ **teacher appreciation grant** stipends to teachers.
 - (C) Additions to base salary based on ~~performance~~ **teacher appreciation grant** stipends.
- (13) The pre-evaluation planning session required under IC 20-28-11.5-4.
- (14) The superintendent's report to the governing body concerning staff performance evaluations required under IC 20-28-11.5-9.
- (15) A career pathways and mentorship plan established under IC 20-20-42.2.

SECTION 104. IC 20-29-6-16, AS AMENDED BY SEA 409-2017, SECTION 4, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 16. (a) If an agreement has not been reached on the items to be bargained collectively by November 1, as provided in IC 6-1.1-17-5, the parties shall continue the terms of the current contract that is in effect, and the school employer may issue tentative individual contracts and prepare its budget on that basis. During this period, in order to allow the successful resolution of the dispute, the school employer may not unilaterally change the terms or conditions of employment that are issues in dispute.

(b) Upon the expiration of the current contract that is in effect, except for ~~performance~~ **teacher appreciation grant** stipends and additions to base salary provided under ~~IC 20-43-10-3~~, **IC 20-43-10-3.5**, the school employer shall continue under the terms of the current contract that is in effect, with no increase or increment in salary, wages, or benefits for any bargaining unit employee until a new contract is executed.

(c) The only parts of the contract that must continue under this section are the items contained in the contract and listed in section 4 of this chapter.

(d) This section may not be construed as relieving the school employer or the school employee organization from the duty to bargain collectively until a mutual agreement has been reached and a contract entered as called for in this chapter.

SECTION 105. IC 20-31-8-4.6 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 4.6. (a) If a school corporation or a charter school enters into an agreement with an eligible school (as defined in IC 20-51-1-4.7) to provide dropout recovery educational services for an at-risk student who is enrolled at a public school, the student may not be included in the calculation of the public school's category or designation of school performance.**



(b) The state board shall adopt rules under IC 4-22-2 and any guidelines necessary to carry out this section.

SECTION 106. IC 20-33-8.5-5, AS AMENDED BY P.L.182-2009(ss), SECTION 321, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. The agreement must provide how the expenses of supervising a student who has been suspended or expelled are funded. A school corporation may not be required to expend more than the ~~transition to~~ foundation amount (as ~~determined under IC 20-43-5-6~~) **defined by IC 20-43-3-8**) for each student referred under the agreement.

SECTION 107. IC 20-43-1-1, AS AMENDED BY P.L.213-2015, SECTION 203, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 1. This article expires June 30, ~~2017~~: **2019**.

SECTION 108. IC 20-43-1-6, AS AMENDED BY P.L.205-2013, SECTION 260, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: Sec. 6. "ADM" refers to **the following:**

(1) Except as provided in subdivision (2), the average daily membership determined under IC 20-43-4.

(2) For the School City of East Chicago school corporation, the average daily membership determined under IC 20-43-4-10. This subdivision expires June 30, 2018.

SECTION 109. IC 20-43-1-7, AS AMENDED BY P.L.205-2013, SECTION 261, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. "ADM of the previous year" means

~~(1) for previous state fiscal years ending before July 1, 2013; the fall count of ADM;~~

~~(2) for previous state fiscal years ending after June 30, 2013; and before July 1, 2014, the average of the fall 2012 adjusted ADM count and the fall 2013 adjusted ADM count; and~~

~~(3) for previous state fiscal years ending after June 30, 2014, the average of the previous year's fall and spring year adjusted ADM counts.~~ **count.**

SECTION 110. IC 20-43-1-10, AS AMENDED BY P.L.213-2015, SECTION 206, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 10. "Current ADM" means the

~~(1) spring count of ADM for distributions in the months of January through June of the calendar year in which the spring count is taken; and~~

~~(2) fall count of ADM for distributions in the months of July through December of the calendar year in which the fall count is taken~~ **under IC 20-43-4.**

SECTION 111. IC 20-43-1-12.3 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 12.3: "Fall count" refers to the first count of ADM in a school year under IC 20-43-4-3, as finally adjusted under IC 20-43-4-2.~~

SECTION 112. IC 20-43-1-13, AS ADDED BY P.L.2-2006, SECTION 166, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 13. "Foundation amount" refers to the amount determined under ~~IC 20-43-5-4~~: **IC 20-43-3-8.**

SECTION 113. IC 20-43-1-20 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 20: "Previous year revenue foundation amount" refers to the amount determined under IC 20-43-5-5.~~



SECTION 114. IC 20-43-1-24.5 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 24.5: "Spring count" refers to the second count of ADM in a school year under IC 20-43-4-3, as subsequently adjusted under IC 20-43-4-2.

SECTION 115. IC 20-43-1-28 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 28: "Transition to foundation amount" refers to the amount determined under IC 20-43-5-6.

SECTION 116. IC 20-43-1-29 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 29: "Transition to foundation revenue" refers to the amount determined under IC 20-43-5-7.

SECTION 117. IC 20-43-1-29.3 IS REPEALED [EFFECTIVE JULY 1, 2017]. Sec. 29.3: "Transition to foundation revenue per adjusted ADM" refers to the amount determined under IC 20-43-5-9.

SECTION 118. IC 20-43-2-7.5, AS AMENDED BY P.L.186-2016, SECTION 1, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: Sec. 7.5. (a) Before July 1 of each year, the budget agency, with the assistance of the department, shall estimate the amount of the distributions that will be made for choice scholarships for the following state fiscal year.

(b) In the state fiscal year beginning July 1, 2015, the budget agency may transfer money from the state tuition reserve account to the state general fund if the budget director, after review by the budget committee, makes a determination that the amount of the distribution for that state fiscal year for basic tuition support has been reduced under section 3 of this chapter because the amount of the distributions for choice scholarships for the state fiscal year exceeds the latest estimate prepared by the legislative services agency and provided to members of the general assembly before May 1, 2015, concerning the amount of the distributions for choice scholarships for the state fiscal year beginning July 1, 2015. The maximum amount that may be transferred to the state general fund under this subsection for the state fiscal year may not exceed the lesser of:

- (1) the amount of the reduction in basic tuition support distributions described in this subsection;
- or
- (2) twenty-five million dollars (\$25,000,000).

Any amounts transferred under this subsection shall be used to augment the appropriation for state tuition support for the state fiscal year and shall be distributed to school corporations to restore the distributions for basic tuition support that are reduced under section 3 of this chapter.

(c) ~~(b)~~ In the a state fiscal year beginning July 1, **after June 30, 2016**, the budget agency may transfer money from the state tuition reserve account to the state general fund if the budget director, after review by the budget committee, makes a determination that the amount of the distribution for that state fiscal year for basic tuition support has been reduced under section 3 of this chapter because the amount of the distributions for choice scholarships for the state fiscal year exceeds the latest estimate prepared by the legislative services agency and provided to members of the general assembly before May 1 2015, **of the most recent odd-numbered year** concerning the amount of the distributions for choice scholarships for the state fiscal year beginning July 1 2016: **of the particular state fiscal year**. The maximum amount



that may be transferred to the state general fund under this subsection for the state fiscal year may not exceed the lesser of:

- (1) the amount of the reduction in basic tuition support distributions described in this subsection;
- or
- (2) twenty-five million dollars (\$25,000,000).

Any amounts transferred under this subsection shall be used to augment the appropriation for state tuition support for the state fiscal year and shall be distributed to school corporations to restore the distributions for basic tuition support that are reduced under section 3 of this chapter.

~~(d)~~ (c) Transfers under this section are in addition to any transfers made from the state tuition reserve account under IC 4-12-1-15.7 or any other law.

~~(e)~~ (d) This section expires June 30, ~~2017~~ **2019**.

SECTION 119. IC 20-43-3-8 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2017]: **Sec. 8. A school corporation's foundation amount is the following:**

- (1) Five thousand two hundred seventy-three dollars (\$5,273) for the state fiscal year beginning July 1, 2017.**
- (2) Five thousand three hundred fifty-two dollars (\$5,352) for the state fiscal year beginning July 1, 2018.**

SECTION 120. IC 20-43-4-0.5 IS ADDED TO THE INDIANA CODE AS A **NEW SECTION TO READ AS FOLLOWS** [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: **Sec. 0.5. This chapter, except for section 10 of this chapter, does not apply to the School City of East Chicago school corporation. This section expires June 30, 2018.**

SECTION 121. IC 20-43-4-2, AS AMENDED BY P.L.186-2016, SECTION 3, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) A school corporation's ADM is the number of eligible pupils enrolled in:

- (1) the school corporation; or
- (2) a transferee corporation;

on the ~~days day~~ fixed in September ~~and in February~~ by the state board for a count of students under section 3 of this chapter and as subsequently adjusted not later than the date specified under the rules adopted by the state board. The state board may adjust the school's count of eligible pupils if the state board determines that the count is unrepresentative of the school corporation's enrollment. In addition, a school corporation may petition the state board to make an adjusted count of students enrolled in the school corporation if the corporation has reason to believe that the count is unrepresentative of the school corporation's enrollment. **In addition, a school corporation shall determine the number of eligible pupils enrolled in:**

- (1) the school corporation; or**
- (2) a transferee corporation;**



on the day fixed in February by the state board for a spring count of students to be used only for informational purposes under this article. Except as specifically provided by law, the spring count shall not be used for determining school funding under this article.

(b) Each school corporation shall, before April 1 of each year, provide to the department an estimate of the school corporation's ADM that will result from the count of eligible pupils in the following September. The department may update and adjust the estimate as determined appropriate by the department. In each odd-numbered year, the department shall provide the updated and adjusted estimate of the school corporation's ADM to the legislative services agency before April 10 of that year.

(c) A new charter school shall submit an enrollment estimate to the department before April 1 of the year the new charter school will be open for enrollment. The department shall use the new charter school's enrollment estimate as the basis for the new charter school's distribution beginning in July and until actual ADM is available, subject to section 9 of this chapter. However, if the new charter school's enrollment estimate is greater than eighty percent (80%) of the new charter school's authorized enrollment cap, the department may use that enrollment estimate if the department has requested and reviewed other enrollment data that support that enrollment estimate. However, if the enrollment data requested and reviewed by the department does not support the enrollment estimate submitted by the new charter school, the department shall determine the estimated ADM based on the enrollment data requested and reviewed by the department. In each odd-numbered year, the department shall provide the new charter school's estimated ADM to the legislative services agency before April 10 of that year.

SECTION 122. IC 20-43-4-3, AS AMENDED BY P.L.144-2012, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) Subject to subsection (b), the state board shall make an ADM count of the eligible pupils enrolled in each school corporation two (2) times each school year, with one (1) count date occurring in each of the following periods:

- (1) The fall count of ADM shall be made on a day during September fixed by the state board.
- (2) The **informational** spring count of ADM shall be made on a day during February fixed by the state board.

(b) However, if extreme patterns of:

- (1) student in-migration;
- (2) illness;
- (3) natural disaster; or
- (4) other unusual conditions in a particular school corporation's enrollment;

on either a count day fixed by the state board or the subsequent adjustment date cause the enrollment to be unrepresentative of the school corporation's enrollment, the state board may designate another day for determining the school corporation's enrollment.

SECTION 123. IC 20-43-4-4, AS AMENDED BY P.L.205-2013, SECTION 276, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. (a) The state board shall monitor changes



that occur after the fall count of ADM in the number of students enrolled in programs for children with disabilities. The state board shall:

- (1) before December 2 of that same year; and
- (2) before April 2 of the following calendar year;

make an adjusted count of students enrolled in programs for children with disabilities. The state superintendent shall certify the December adjusted count to the budget committee before February 5 of the following year and the April adjusted count not later than May 31 immediately after the date of the April adjusted count. The state board may adjust the school's count of students enrolled in programs for children with disabilities if the state board determines that the count is unrepresentative of the school corporation's enrollment.

(b) The department shall distribute special education grants under IC 20-43-7 using only the count specified in IC 20-43-7-1.

SECTION 124. IC 20-43-4-9, AS AMENDED BY THE TECHNICAL CORRECTIONS BILL OF THE 2017 GENERAL ASSEMBLY, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) Subject to subsections (b) and (c), this subsection applies to the calculation of state tuition support distributions that are based on the current ADM of a school corporation. The fall count of ADM, as adjusted by the state board under section 2 of this chapter, shall be used to compute state tuition support distributions. ~~made in the first six (6) months of the current state fiscal year, and the spring count of ADM, as adjusted by the state board under section 2 of this chapter, shall be used to compute state tuition support distributions made in the second six (6) months of the state fiscal year.~~

(b) This subsection applies to a school corporation that does not provide the estimates required by section ~~2(b)(2)~~ **2(b)** of this chapter before the deadline. For monthly state tuition support distributions made before the fall count of ADM is finalized, the department shall determine the distribution amount for such a school corporation for a state fiscal year of the biennium, using data that were used by the general assembly in determining the state tuition support appropriation for the budget act for that state fiscal year. The department may adjust the data used under this subsection for errors.

(c) If the state board adjusts a count of ADM after a distribution is made under this article, the adjusted count retroactively applies to the amount of state tuition support distributed to a school corporation affected by the adjusted count. The department shall settle any overpayment or underpayment of state tuition support resulting from an adjusted count of ADM on the schedule determined by the department and approved by the budget agency.

SECTION 125. IC 20-43-4-10 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2016 (RETROACTIVE)]: **Sec. 10. (a) For the school year beginning after June 30, 2016, and ending before July 1, 2017, the ADM for the School City of East Chicago school corporation for fall and spring is the spring count ADM of the school year beginning after June 30, 2015, and ending before July 1, 2016.**



(b) For the school year beginning after June 30, 2017, and ending before July 1, 2018, the ADM for the School City of East Chicago school corporation is the result determined under STEP THREE of the following formula:

STEP ONE: Determine the result of:

- (A) the ADM determined under subsection (a); minus**
- (B) the ADM determined in accordance with sections 1 through 8 of this chapter for the School City of East Chicago school corporation without regard to this section.**

STEP TWO: Divide the result in STEP ONE by three (3), rounded up to the nearest whole number.

STEP THREE: The School City of East Chicago school corporation's ADM is the following:

(A) The ADM determined in accordance with sections 1 through 8 of this chapter if the result in STEP ONE is less than zero (0).

(B) The result of:

- (i) the ADM determined under subsection (a); minus**
- (ii) the amount determined in STEP TWO;**

if the result in STEP ONE is greater than zero (0).

(c) The ADM under this section must be used to compute state tuition support distributions in the same manner as described in section 9(a) of this chapter.

(d) This section expires June 30, 2018.

SECTION 126. IC 20-43-5 IS REPEALED [EFFECTIVE JULY 1, 2017]. (Determination of Complexity Index and Transition to Foundation Revenue Per ADM).

SECTION 127. IC 20-43-6-3, AS AMENDED BY P.L.205-2013, SECTION 289, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) A school corporation's basic tuition support for a state fiscal year is the amount determined under the applicable provision of this section.

(b) The school corporation's basic tuition support for a state fiscal year is equal to the **foundation amount multiplied by the school corporation's transition to foundation revenue current ADM** for the year.

(c) This subsection applies to students of a virtual charter school. A virtual charter school's basic tuition support for a state fiscal year for those students is the amount determined under IC 20-24-7-13.

SECTION 128. IC 20-43-7-1, AS AMENDED BY P.L.106-2016, SECTION 12, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 1. (a) In addition to the amount a school corporation is entitled to receive in basic tuition support, each school corporation is entitled to receive a grant for special education programs for the state fiscal year. Subject to subsections (b) and (c), the amount of the special education grant is based on the count of eligible pupils enrolled in special education programs on December 1 of the preceding state fiscal year in:

- (1) the school corporation; or
- (2) a transferee corporation.



- (b) Before February 1 of each calendar year, the department shall determine the result of:
- (1) the total amount of the special education grant that would have been received by the school corporation during the months of July, August, September, October, November, and December of the preceding calendar year and January of the current calendar year if the grant had been based on the count of students with disabilities that was made on the immediately preceding December 1; minus
 - (2) the total amount of the special education grant received by the school corporation during the months of July, August, September, October, November, and December of the preceding calendar year and January of the current calendar year.

If the result determined under this subsection is positive, the school corporation shall receive an additional special education grant distribution in February equal to the result determined under this subsection. If the result determined under this subsection is negative, the special education grant distributions that otherwise would be received by the school corporation in February, March, April, and May shall be proportionately reduced so that the total reduction is equal to the result determined under this subsection.

(c) The special education grant distributions made in February, March, April, May, and June of a calendar year shall be based on the count of students with disabilities that was made on the immediately preceding December 1.

(d) ~~After June 30, 2016,~~ In addition to the December 1 count, a second count of eligible pupils enrolled in special education programs shall be conducted. The count must be in the spring semester on a date fixed by the state board. The spring count of eligible students shall be used for informational purposes and is not used to calculate grant amounts under this chapter.

SECTION 129. IC 20-43-7-5, AS AMENDED BY P.L.106-2016, SECTION 13, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) In a school corporation's cumulative count of pupils in homebound programs, a school corporation shall count each pupil who received homebound instruction up to and including December 1 of the current year plus each pupil who received homebound instruction after December 1 of the prior school year.

(b) ~~This subsection applies to a state fiscal year starting after June 30, 2016.~~ In addition to the cumulative count described in subsection (a), a school corporation shall conduct a cumulative count of pupils in homebound programs for informational purposes and is not used to calculate grants under this chapter. In a school corporation's informational cumulative count of pupils in homebound programs, a school corporation shall count each pupil who received homebound instruction:

- (1) for the December 1 count, up to and including the December 1 count date of the current year plus each pupil who received homebound instruction after the spring count date of the prior school year; and
- (2) for the spring count, up to and including the spring count date of the current year plus each pupil who received homebound instruction after the December 1 count date of the current school year.



(c) A school corporation may include a pupil in the school corporation's cumulative count of pupils in homebound programs even if the pupil also is included in the school corporation's:

- (1) nonduplicated count of pupils in programs for severe disabilities;
- (2) nonduplicated count of pupils in programs for mild and moderate disabilities; or
- (3) duplicated count of pupils in programs for communication disorders.

SECTION 130. IC 20-43-7-6, AS AMENDED BY P.L.213-2015, SECTION 220, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. A school corporation's special education grant for a state fiscal year is equal to the sum of the following:

- (1) The nonduplicated count of pupils in programs for severe disabilities multiplied by ~~eight thousand eight hundred dollars (\$8,800)~~ **the following:**

(A) Eight thousand nine hundred seventy-six dollars (\$8,976) for the state fiscal year beginning July 1, 2017.

(B) Nine thousand one hundred fifty-six dollars (\$9,156) for the state fiscal year beginning July 1, 2018.

- (2) The nonduplicated count of pupils in programs of mild and moderate disabilities multiplied by two thousand three hundred dollars (\$2,300).
- (3) The duplicated count of pupils in programs for communication disorders multiplied by five hundred dollars (\$500).
- (4) The cumulative count of pupils in homebound programs multiplied by five hundred dollars (\$500).
- (5) The nonduplicated count of pupils in special preschool education programs multiplied by two thousand seven hundred fifty dollars (\$2,750).

SECTION 131. IC 20-43-10-2, AS AMENDED BY P.L.213-2015, SECTION 225, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. (a) A school corporation's honors diploma award for a state fiscal year is the amount determined using the following formula:

STEP ONE: Determine the number of the school corporation's eligible pupils who:

- (A) successfully completed an academic honors diploma program; and
- (B) were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services;

in the school year ending in the previous state fiscal year.

STEP TWO: Determine the result of:

- (A) the number of the school corporation's eligible pupils who:
 - (i) successfully completed a Core 40 diploma with technical honors program; and
 - (ii) were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services;

in the school year ending in the previous state fiscal year; minus



(B) the number of eligible pupils who would otherwise be double counted under both clause (A) and STEP ONE.

STEP THREE: Determine the sum of the number of eligible students determined under STEP ONE and the number of eligible students determined under STEP TWO.

STEP FOUR: Multiply the STEP THREE amount by one thousand ~~four~~ **five** hundred dollars (~~\$1,400~~): **(\$1,500)**.

STEP FIVE: Determine the result of:

(A) the number of the school corporation's eligible pupils who successfully completed an academic honors diploma program in the school year ending in the previous state fiscal year; minus

(B) the STEP ONE amount.

STEP SIX: Determine the result of:

(A) the number of the school corporation's eligible pupils who successfully completed a Core 40 diploma with technical honors program in the school year ending in the previous state fiscal year; minus

(B) the number of the school corporation's eligible pupils who are counted under both clause (A) and STEP FIVE (A).

STEP SEVEN: Determine the result of the STEP SIX amount minus the STEP TWO amount.

STEP EIGHT: Determine the result of:

(A) the STEP FIVE amount; plus

(B) the STEP SEVEN amount.

STEP NINE: Determine the result of:

(A) the STEP EIGHT amount; multiplied by

(B) one thousand **one hundred** dollars (~~\$1,000~~): **(\$1,100)**.

STEP TEN: Determine the sum of:

(A) the STEP FOUR amount; plus

(B) the STEP NINE amount.

(b) An amount received by a school corporation as an honors diploma award may be used only for:

(1) any:

(A) staff training;

(B) program development;

(C) equipment and supply expenditures; or

(D) other expenses;

directly related to the school corporation's honors diploma program; and

(2) the school corporation's program for high ability students.

(c) A governing body that does not comply with this section for a school year is not eligible to receive an honors diploma award for the following school year.

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SECTION 132. IC 20-43-10-3.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 3.5. (a) As used in this section, "school" means a school corporation, charter school, and a virtual charter school.**

(b) Subject to the requirements of this section, a school qualifies for a teacher appreciation grant as provided in this section for a state fiscal year if one (1) or more licensed teachers:

- (1) employed in the classroom by the school; or**
- (2) directly providing virtual education;**

were rated as effective or as highly effective, using the most recently completed teacher ratings.

(c) A school may not receive a teacher appreciation grant under this section unless:

- (1) the school has in the state fiscal year in which the teacher appreciation grants are made under this section:
 - (A) adopted an annual policy concerning the distribution of teacher appreciation grants; and**
 - (B) submitted the policy to the department for approval; and****
- (2) the department has approved the policy.**

The department shall specify the date by which a policy described in subdivision (1) must be submitted to the department.

(d) The amount of a teacher appreciation grant for a qualifying school corporation or virtual charter school is equal to:

- (1) thirty dollars (\$30); multiplied by**
- (2) the school's current ADM.**

However, the grant amount for a virtual charter school may not exceed the statewide average grant amount.

(e) The following apply to the distribution of teacher appreciation grants:

- (1) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year exceeds the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools shall be proportionately reduced so that the total reduction equals the amount of the excess. The amount of the reduction for a particular school is equal to the total amount of the excess multiplied by a fraction. The numerator of the fraction is the amount of the teacher appreciation grant that the school would have received if a reduction were not made under this section. The denominator of the fraction is the total amount that would be distributed as teacher appreciation grants to all schools if a reduction were not made under this section.**
- (2) If the total amount to be distributed as teacher appreciation grants for a particular state fiscal year is less than the amount appropriated by the general assembly for teacher appreciation grants for that state fiscal year, the total amount to be distributed as teacher appreciation grants to schools for that particular state fiscal year shall be proportionately**



increased so that the total amount to be distributed equals the amount of the appropriation for that particular state fiscal year.

(f) The annual teacher appreciation grant to which a school is entitled for a state fiscal year shall be distributed to the school before December 5 of that state fiscal year.

(g) The following apply to a school's policy under subsection (c) concerning the distribution of teacher appreciation grants:

(1) The governing body shall differentiate between a teacher rated as a highly effective teacher and a teacher rated as an effective teacher. The policy must provide that the amount of a stipend awarded to a teacher rated as a highly effective teacher must be at least twenty-five percent (25%) more than the amount of a stipend awarded to a teacher rated as an effective teacher.

(2) The governing body of a school may differentiate between school buildings.

(3) A stipend to an individual teacher in a particular year is not subject to collective bargaining, but is discussable, and is in addition to the minimum salary or increases in salary set under IC 20-28-9-1.5. The governing body may provide that an amount not exceeding fifty percent (50%) of the amount of a stipend to an individual teacher in a particular state fiscal year becomes a permanent part of and increases the base salary of the teacher receiving the stipend for school years beginning after the state fiscal year in which the stipend is received.

The addition to base salary is not subject to collective bargaining, but is discussable.

(h) A teacher appreciation grant received by a school shall be allocated among and used only to pay cash stipends to all licensed teachers employed in the classroom who are rated as effective or as highly effective and employed by the school as of December 1.

(i) The lead school corporation or interlocal cooperative administering a cooperative or other special education program or administering a career and technical education program, including programs managed under IC 20-26-10, IC 20-35-5, IC 20-37, or IC 36-1-7, shall award teacher appreciation grant stipends to and carry out the other responsibilities of an employing school corporation under this section for the teachers in the special education program or career and technical education program.

(j) A school shall distribute all stipends from a teacher appreciation grant to individual teachers within twenty (20) business days of the date the department distributes the teacher appreciation grant to the school. Any part of the teacher appreciation grant not distributed as stipends to teachers before February must be returned to the department on the earlier of the date set by the department or June 30 of that state fiscal year.

(k) The department, after review by the budget committee, may waive the December 5 deadline under subsection (e) to distribute an annual teacher appreciation grant to the school under this section for that state fiscal year and approve an extension of that deadline to a later date within that state fiscal year, if the department determines that a waiver and extension of the deadline is in the public interest.



(l) The state board may adopt rules under IC 4-22-2, including emergency rules in the manner provided in IC 4-22-2-37.1, as necessary to implement this section.

(m) This section expires June 30, 2019.

SECTION 133. IC 20-43-13-3, AS AMENDED BY P.L.213-2015, SECTION 228, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. The total amount to be distributed under this chapter to a school corporation or charter school for a state fiscal year beginning after June 30, 2015, is the amount determined in STEP FIVE of using the following formula:

STEP ONE: Determine the percentage of the school corporation's students who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits; Temporary Assistance for Needy Families (TANF) benefits; or foster care services as of October 1 in the school year ending in the later of:

(A) 2015; or

(B) the first year of operation of the school corporation:

For a conversion charter school, the percentage determined under this STEP is the percentage of the sponsor school corporation:

STEP TWO: Determine:

(A) for a charter school in the first year of operation, the STEP ONE amount; or

(B) for all other school corporations, the result of:

(i) the STEP ONE amount; minus

the school corporation's prior year complexity index; divided by

(ii) three (3) for the state fiscal year beginning July 1, 2015; or two (2) for the state fiscal year beginning July 1, 2016.

STEP THREE: Determine the sum of:

(A) the prior year complexity index; plus

(B) the STEP TWO result; plus

(C) for a school corporation that is not a charter school:

(i) with at least twenty-five percent (25%) of its ADM eligible for the English language learners program; and

(ii) that has a STEP TWO (B)(i) amount that is less than negative one-tenth (-0.1);

the absolute value of the STEP TWO (B)(i) amount divided by four (4).

STEP FOUR: ONE: Determine the product of:

(A) the STEP THREE result; school corporation's complexity index determined under section 4 of this chapter; multiplied by

(B) three thousand four hundred eighty-nine dollars (\$3,489) for the state fiscal year beginning July 1, 2015; and three thousand five hundred thirty-nine dollars (\$3,539). for the state fiscal year beginning July 1, 2016.

STEP FIVE: TWO: Determine the product of:

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- (A) the STEP ~~FOUR~~ ONE result; multiplied by
- (B) the school corporation's current ADM.

STEP THREE: This STEP applies only to a school corporation that has at least eighteen percent (18%) of its ADM eligible for the English language learners program and that experienced a percentage decrease of at least forty-five percent (45%) in the school corporation's complexity index for the school year ending in 2017 compared to the school corporation's complexity index for the current school year. Determine the result of:

- (A) the STEP TWO amount; plus
- (B) the result of:
 - (i) the school corporation's current ADM; multiplied by
 - (ii) one hundred twenty-eight dollars (\$128).

SECTION 134. IC 20-43-13-4, AS AMENDED BY P.L.213-2015, SECTION 229, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. The complexity index is the ~~result determined under STEP THREE in section 3 of this chapter for a state fiscal year beginning after June 30, 2015;~~ **percentage of the school corporation's students who were receiving Supplemental Nutrition Assistance Program (SNAP) benefits, Temporary Assistance for Needy Families (TANF) benefits, or foster care services as of October 1 in the school year ending in the later of:**

- (1) 2017; or
- (2) the first year of operation of the school corporation.

For a conversion charter school, the percentage determined under this STEP is the percentage of the sponsor school corporation.

SECTION 135. IC 20-45-7-19, AS AMENDED BY P.L.205-2013, SECTION 303, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 19. Before July 11 of each year, the state superintendent shall certify to the county auditor:

- (1) the consolidated ADA ratio of the qualified school corporations;
- (2) the number of pupils in the ~~current ADM fall count under IC 20-43-4~~ of each qualified school corporation for the ~~immediately preceding school year;~~ as determined:
 - (A) for a calendar year ending before January 1, 2013, in the fall count of ADM for the school year ending in the calendar year; and
 - (B) for a calendar year ending after December 31, 2012, in the spring count of ADM for the school year ending in the calendar year; and
- (3) an estimate of these statistics for the succeeding school year.

SECTION 136. IC 20-45-8-18, AS AMENDED BY P.L.205-2013, SECTION 305, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 18. (a) Before July 11 of each year, the state superintendent shall deliver to the county auditor a certified statement of

- (1) for a calendar year ending before January 1, 2013, the fall count of ADM in grades 1 through 12 residing in each qualified school corporation for the school year ending in the calendar year; and



(2) for a calendar year ending after December 31, 2012, the **spring fall** count of **ADM pupils under IC 20-43-4** in grades 1 through 12 residing in each qualified school corporation for the school year ending in the calendar year.

(b) Upon the receipt of the information, the county auditor shall compute the amount to be distributed to each of the qualified school corporations from the receipts of the tax levy, based on the formula set forth in this chapter.

(c) The county auditor shall annually issue a warrant to the county treasurer ordering the payment to the respective qualified school corporations the various amounts in the fund at each semiannual tax settlement period during the year in which the tax has been collected.

(d) The qualified school corporations and the proper officials and employees of the qualified school corporations shall receive the receipts distributed by the county treasurer in the same manner as other tax receipts are received.

SECTION 137. IC 20-45-8-22, AS AMENDED BY P.L.205-2013, SECTION 306, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 22. (a) The amount to be raised by the tax shall be determined in any calendar year by the county auditor and certified to by the board of county commissioners before the time for making the county budgets in the year.

(b) The amount is the total of the entitlements of all qualified school corporations.

(c) The entitlement of each qualified school corporation calculated in a calendar year is an amount equal to the result determined under STEP TWO of the following formula:

STEP ONE: Calculate the quotient of:

(A) the total amount deposited in the fund in calendar year 1979 or the first year in which a deposit was made, whichever is later; divided by

(B) for:

(i) a calendar year ending before January 1, 2013, the total ADM of the immediately preceding school year of qualified school corporations that received money from the fund in 1979, as determined in the fall count of ADM for the school year ending in the immediately preceding calendar year; and

(ii) a calendar year beginning after December 31, 2012, the total ADM count of pupils of the immediately preceding school year of qualified school corporations that received money from the fund in 1979, as determined in the **spring fall** count of **ADM pupils under IC 20-43-4** for the school year ending in the immediately preceding calendar year.

STEP TWO: Calculate the product of:

(A) the STEP ONE result; multiplied by

(B) for:

(i) a calendar year ending before January 1, 2013, the ADM of the immediately preceding school year of the qualified school corporation that received money from the fund in 1979, as



determined in the fall count of ADM for the school year ending in the immediately preceding calendar year; and

(ii) a calendar year beginning after December 31, 2012; the total ADM count of pupils of the immediately preceding school year of qualified school corporations that received money from the fund in 1979, as determined in the ~~spring~~ fall count of ADM pupils under IC 20-43-4 for the school year ending in the immediately preceding calendar year.

SECTION 138. IC 20-49-1-3 IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~Sec. 3: "Transition to foundation amount" refers to the amount determined under IC 20-43-5-6.~~

SECTION 139. IC 20-49-4-23, AS ADDED BY P.L.2-2006, SECTION 172, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 23. (a) Upon request of the ~~state board, acting upon the advice of the department, treasurer of state,~~ the state board of finance may periodically sell, transfer, or liquidate agreements, in whole or in part, including without limitation the sale, transfer, or liquidation of all or any part of the principal or interest to be received at any time under one (1) or more agreements that evidence the right of the state to make deductions from state tuition support to pay advances under this chapter under the terms and conditions that the state board of finance considers necessary and appropriate.

(b) Each sale, transfer, or liquidation under this section is subject to the following conditions:

- (1) Each sale, transfer, or liquidation may be made only to a department, an agency, a commission, an instrumentality, or a public body of the state, including the Indiana bond bank.
- (2) Each sale, transfer, or liquidation of agreements may be made only for cash.
- (3) Payments under the sale, transfer, or liquidation must be made to the treasurer of state for the fund and reported to the state board of finance.
- (4) The total amount of cash received by the fund from the sale may not be less than the outstanding principal amount of all or a part of the agreements sold plus accrued interest owed.
- (5) If necessary to facilitate a sale, transfer, or liquidation, the state board or the state board of finance may agree to act on behalf of an entity described in subdivision (1) by collecting payment on advances that are:

(A) received directly from a school corporation, if any direct payments are received; or

(B) deducted from amounts appropriated and made available for state tuition support.

An agreement by the state board or the state board of finance under this subdivision is a valid and enforceable contractual obligation but is not a debt of the state within the meaning of the limitation against indebtedness under the Constitution of the State of Indiana.

(6) Each proposed sale, transfer, or liquidation must be reviewed by the budget committee and approved by the budget agency.

(c) The state board of finance shall notify the state board and the department of any action that the state board of finance takes under this section.



SECTION 140. IC 20-51-4-7, AS AMENDED BY P.L.106-2016, SECTION 22, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 7. (a) The department shall administer this chapter.

(b) The department shall approve an application for an eligible school within fifteen (15) days after the date the school requests to participate in the choice scholarship program.

(c) The department shall approve an application for a choice scholarship student within fifteen (15) days after the date the student requests to participate in the choice scholarship program.

(d) Each year, at a minimum, the department shall accept applications from March 1 through September 1 for eligible schools for the upcoming school year.

(e) Each year, ~~at a minimum~~, the department shall accept applications for choice scholarship students from

~~(1) March 1 through September 1 for the upcoming school year. and~~

~~(2) September 2 through January 15 for the spring semester of the current school year.~~

(f) This chapter may not be construed in a manner that would impose additional requirements for approving an application for an eligible school placed in a "null" or "no letter grade" category established under IC 20-31-8-3(b).

(g) The department shall adopt rules under IC 4-22-2 to implement this chapter.

(h) The department may adopt emergency rules under IC 4-22-2-37.1 to implement this chapter.

SECTION 141. IC 21-7-13-6, AS AMENDED BY P.L.13-2013, SECTION 58, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 6. (a) "Approved postsecondary educational institution", for purposes of this title (except section 15 of this chapter, IC 21-12-6, and IC 21-13-1-4) means the following:

(1) A postsecondary educational institution that operates in Indiana and:

(A) provides an organized two (2) year or longer program of collegiate grade directly creditable toward a baccalaureate degree;

(B) is either operated by the state or operated nonprofit; and

(C) is accredited by a recognized regional accrediting agency, including:

(i) Ancilla College;

(ii) Anderson University;

(iii) Bethel College;

(iv) Butler University;

(v) Calumet College of St. Joseph;

(vi) DePauw University;

(vii) Earlham College;

(viii) Franklin College;

(ix) Goshen College;

(x) Grace College and Seminary;



- (xi) Hanover College;
- (xii) Holy Cross College;
- (xiii) Huntington University;
- (xiv) Indiana Institute of Technology;
- (xv) Indiana Wesleyan University;
- (xvi) Manchester College;
- (xvii) Marian University;
- (xviii) Martin University;
- (xix) Oakland City University;
- (xx) Rose-Hulman Institute of Technology;
- (xxi) Saint Joseph's College;
- (xxii) Saint Mary-of-the-Woods College;
- (xxiii) Saint Mary's College;
- (xxiv) Taylor University;
- (xxv) Trine University;
- (xxvi) University of Evansville;
- (xxvii) University of Indianapolis;
- (xxviii) University of Notre Dame;
- (xxix) University of Saint Francis;
- (xxx) Valparaiso University; and
- (xxxi) Wabash College;

or is accredited by the board for proprietary education under IC 21-18.5-6 or an accrediting agency recognized by the United States Department of Education.

- (2) Ivy Tech Community College.
- (3) A hospital that operates a nursing diploma program that is accredited by the Indiana state board of nursing.
- (4) A postsecondary credit bearing proprietary educational institution that meets the following requirements:
 - (A) Is incorporated in Indiana, or is registered as a foreign corporation doing business in Indiana.
 - (B) Is fully accredited by and is in good standing with the board for proprietary education under IC 21-18.5-6.
 - (C) Is accredited by and is in good standing with a regional or national accrediting agency.
 - (D) Offers a course of study that is at least eighteen (18) consecutive months in duration (or an equivalent to be determined by the board for proprietary education under IC 21-18.5-6) and that leads to an associate or a baccalaureate degree recognized by the board for proprietary education under IC 21-18.5-6.



(E) Is certified by the board for proprietary education as meeting the requirements of this subdivision.

(5) A postsecondary SEI affiliated educational institution.

(b) "Approved postsecondary educational institution" for purposes of section 15 of this chapter, IC 21-12-6, and IC 21-13-1-4, means the following:

- (1) A state educational institution.
- (2) A nonprofit college or university.
- (3) A postsecondary credit bearing proprietary educational institution that is accredited by an accrediting agency recognized by the United States Department of Education.

(4) A postsecondary SEI affiliated educational institution.

SECTION 142. IC 21-7-13-26.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: **Sec. 26.5. (a) "Postsecondary SEI affiliated educational institution" means a degree granting and credit bearing institution that:**

- (1) is organized as a public benefit corporation (as described in IC 23-17-2-23) and controlled by a state educational institution;**
- (2) is authorized under procedures approved by the executive officer of the commission under IC 21-18-12.4 to provide instructional or educational services or training in Indiana using onsite, online, or any combination of these or other instructional modalities;**
- (3) is accredited by a recognized regional accrediting agency or is seeking or progressing toward accreditation by a recognized regional accrediting agency; and**
- (4) has its debts and liabilities backed by the controlling state educational institution described in subdivision (1) in the form of a contribution, bond, or other surety consisting solely of eligible property (as defined in IC 21-27-10-4).**

(b) The term does not include the following:

- (1) A state educational institution.**
- (2) A postsecondary credit bearing proprietary educational institution approved or regulated by the board for proprietary education under IC 21-18.5-6.**
- (3) Any educational institution or educational training that:**
 - (A) is maintained or provided by an employer or employers at no charge for employees or potential employees;**
 - (B) is maintained or provided by a labor organization at no charge for its members or apprentices; or**
 - (C) offers instruction that is exclusively focused on self-improvement or exclusively intended to be motivational or avocational, including instruction in dance, music, self-defense, and private tutoring.**



(4) A public or nonprofit degree granting institution organized or incorporated in a jurisdiction other than Indiana that offers instructional or educational services or training in Indiana.

(5) A religious institution that offers educational instruction or an educational program of a clearly religious nature.

SECTION 143. IC 21-13-9-3, AS AMENDED BY HEA 1281-2017, SECTION 6, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 3. (a) The commission, in coordination with the Marian University College of Osteopathic Medicine, shall administer a student scholarship program to increase the availability of primary care for residents in ~~primary care shortage areas of Indiana~~ by providing incentives to medical students who agree to provide primary care in a ~~shortage area Indiana~~ immediately after becoming a licensed physician.

(b) A scholarship awarded under this chapter must be used to provide supplemental support to a medical student enrolled at the Marian University College of Osteopathic Medicine and may not be used to reduce any other financial aid, grant, or scholarship the student may otherwise receive.

SECTION 144. IC 21-13-9-4, AS AMENDED BY HEA 1281-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 4. Before providing a scholarship to a student, the commission, in coordination with the Marian University College of Osteopathic Medicine, must find that the applicant satisfies all the following conditions:

(1) The applicant is and remains an Indiana resident **or the applicant is a nonresident of Indiana who intends to remain in Indiana. The commission shall give a preference to Indiana residents when awarding a scholarship.**

(2) The applicant is enrolled ~~full time in the first year class~~ at the Marian University College of Osteopathic Medicine in a program that will prepare the applicant to provide primary care as a licensed physician.

(3) If the applicant is receiving a scholarship for the second through fourth year of the program, the applicant successfully completed the academic work required for the previous school year.

(4) The applicant remains in good standing with the Marian University College of Osteopathic Medicine program.

(5) The applicant agrees to execute a written primary care practice agreement with the commission as required by section 6 of this chapter.

SECTION 145. IC 21-13-9-5, AS AMENDED BY HEA 1281-2017, SECTION 8, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) The commission, in coordination with the Marian University College of Osteopathic Medicine, shall select from among the qualified students who will receive a scholarship under this chapter. The commission may not create or use a waiting list for scholarships under this chapter.



(b) The amount of the scholarship that may be awarded to a qualified student for a particular school year shall be determined by the commission, in coordination with the Marian University College of Osteopathic Medicine, and may not exceed ~~ten thousand dollars (\$10,000)~~: **the following:**

(1) If the scholarship is awarded in the first class year, a maximum of ten thousand dollars (\$10,000) per year for four (4) class years.

(2) If the scholarship is awarded in the second class year:

(A) a maximum of seven thousand five hundred dollars (\$7,500) for the first class year; and

(B) a maximum of ten thousand dollars (\$10,000) per year for the second through fourth class years.

(3) If the scholarship is awarded in the third class year:

(A) a maximum of five thousand dollars (\$5,000) for the first class year;

(B) a maximum of seven thousand five hundred dollars (\$7,500) for the second class year; and

(C) a maximum of ten thousand dollars (\$10,000) per year for the third and fourth class years.

(4) If the scholarship is awarded in the fourth class year:

(A) a maximum of two thousand five hundred dollars (\$2,500) for the first class year;

(B) a maximum of five thousand dollars (\$5,000) for the second class year;

(C) a maximum of seven thousand five hundred dollars (\$7,500) for the third class year; and

(D) a maximum of ten thousand dollars (\$10,000) for the fourth class year.

(c) A qualified student may not qualify for a scholarship for more than four (4) school years.

SECTION 146. IC 21-13-9-6, AS AMENDED BY HEA 1281-2017, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. A scholarship recipient must execute a written primary care practice agreement with the commission, with the terms and conditions and in the form and manner required by the commission. The agreement must provide that the scholarship recipient shall do at least the following:

(1) Continually satisfy the requirements of section 4 of this chapter during the school year.

(2) Complete the requirements of the Marian University College of Osteopathic Medicine program by the end of the fourth year after receiving the first scholarship under this chapter.

(3) Will practice primary care in a **primary care shortage area Indiana** for four (4) years. This requirement includes the time spent in any residency program that is located in a **primary care shortage area Indiana**.

(4) Return the amount specified in the agreement, not to exceed the total of all scholarships received, to the commission if the scholarship recipient fails to comply with all the terms and conditions of the agreement. If the noncompliance is because the scholarship recipient did not comply with subdivision (3), the minimum amount that must be returned is the highest scholarship amount



received for a school year multiplied by the number of years the scholarship recipient did not comply with subdivision (3).

SECTION 147. IC 21-18-12.4 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 12.4. Postsecondary SEI Affiliated Educational Institutions Authorization

Sec. 1. All postsecondary SEI affiliated educational institutions seeking to offer instructional or educational services, and the instructional or educational programs, including degree programs, offered by these institutions, whether onsite, online, or through any combination of these or other instructional modalities, must be authorized by the executive officer of the commission and approved by the commission. The executive officer of the commission may:

- (1) develop procedures for authorizing such institutions to offer such instructional programs in Indiana to the extent required by the United States Department of Education; and**
- (2) enter into interstate reciprocity agreements for purposes of this chapter.**

SECTION 148. IC 21-27-10 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]:

Chapter 10. Postsecondary SEI Affiliated Educational Institutions

Sec. 1. The general assembly recognizes that:

- (1) Article 11, Section 12 of the Constitution of the State of Indiana provides that the state may not become a stockholder in a corporation;**
- (2) online, onsite, and hybrid online/onsite instructional, educational, and training programs serve an important public interest by expanding access to learning opportunities, thereby enhancing the state's ability to promote workforce and economic development; and**
- (3) a state educational institution may more effectively advance its educational mission and achieve its public or charitable purposes by being affiliated with a postsecondary degree granting and credit bearing institution that provides these alternative types of instructional, educational, or training offerings, whether onsite, online, or through any combination of these or other instructional modalities, to better reach adult learners and other nontraditional students.**

The general assembly declares that a state educational institution's controlling and being a member of a postsecondary SEI affiliated educational institution, as permitted in this section, complies with Article 11, Section 12 of the Constitution of the State of Indiana.

Sec. 2. This chapter applies only to a state educational institution.

Sec. 3. As used in this chapter, "commission" refers to the commission for higher education of the state of Indiana established under IC 21-18-2.

Sec. 4. As used in this chapter, "eligible property" means any property received by the board of trustees of a state educational institution, other than:

- (1) state appropriations; or**



(2) other public money received through another state educational institution, a state agency, or a local government entity.

Sec. 5. A state educational institution may be a member of a postsecondary SEI affiliated educational institution if:

- (1) the postsecondary SEI affiliated educational institution is a public benefit corporation (as defined in IC 23-17-2-23);
- (2) the postsecondary SEI affiliated educational institution is controlled by the state educational institution;
- (3) in the judgment of the board of trustees, it is in the best interest and consistent with the mission of the state educational institution; and
- (4) any contributions or other financial support made to the postsecondary SEI affiliated educational institution by the state educational institution consist solely of eligible property.

Sec. 6. Notwithstanding any other law, a postsecondary SEI affiliated educational institution is not subject to the following:

- (1) IC 5-14-1.5.
- (2) IC 5-14-3.
- (3) IC 5-11-1-9.

Sec. 7. The commission may require a postsecondary SEI affiliated educational institution to provide information concerning the:

- (1) financial position of the postsecondary SEI affiliated educational institution;
- (2) academic programs and instruction offered by the postsecondary SEI affiliated educational institution; and
- (3) student outcomes;

and make the information publicly available.

Sec. 8. For purposes of United States Department of Education regulations, a postsecondary SEI affiliated educational institution is considered to be subject to the administrative supervision and control of the executive branch by virtue of appointment by the governor of all or a majority of the trustees of a controlling state educational institution.

Sec. 9. A state educational institution that:

- (1) exists as an instrumentality of the state in the form of a body corporate, body politic, or body corporate and body politic; and
- (2) controls a postsecondary SEI affiliated educational institution;

is considered to be a governmental entity equivalent to the state for purposes of United States Department of Education regulations.

Sec. 10. The executive director of the commission may issue a confirmation of the status of a postsecondary SEI affiliated educational institution as a public school for purposes of United States Department of Education regulations.



SECTION 149. IC 21-36-3-6, AS ADDED BY P.L.2-2007, SECTION 277, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 6. (a) Except as provided in **subsection (b) and** section 7 of this chapter, the value of the real estate to be sold and conveyed under this chapter shall be determined by three (3) disinterested appraisers appointed by the governor. Real estate may not be sold or conveyed for less than the appraised value.

(b) Subsection (a) does not apply to Ivy Tech Community College through December 31, 2017. This subsection expires June 30, 2018.

SECTION 150. IC 21-41-5-12, AS ADDED BY P.L.141-2016, SECTION 9, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 12. (a) Not later than ninety (90) days after receiving the data provided under IC 22-4.1-4-13, Ivy Tech Community College shall report to the department of workforce development the following information for the statewide system and each region established under IC 21-22-6-1 for the immediately preceding academic year:

- (1) Certificate programs available that are linked to industry recognized third party certifications.
- (2) The number of students enrolled in each certificate program.
- (3) The number of students successfully completing each certificate program.
- (4) To the extent a campus has access to the information, the number of students who:
 - (A) successfully completed a certificate program sequence; and
 - (B) obtained employment in the field for which the student successfully completed a certificate program sequence.

The report under this subsection must be submitted in the format required by the department of workforce development.

(b) Not later than ninety (90) days after receiving the data provided under IC 22-4.1-4-13, Ivy Tech Community College shall report the following information to the commission for higher education, the department of workforce development, and the legislative council (in an electronic format under IC 5-14-6):

- (1) A list of programs that have been identified as having either:
 - (A) insufficient student demand;
 - (B) insufficient employer demand; or
 - (C) insufficient graduation or transfer rates;

as determined by the commission for higher education in the review under IC 21-18-9-10.5.

- (2) For each of the programs described in subdivision (1), information concerning whether the program will be eliminated, restructured, or placed on an improvement plan or whether no action will be taken regarding the program.
- (3) The status of system-wide restructuring of student support services recommended by the commission under IC 21-18-9-10.5(b)(1).



(4) A target date for the development of courses and programs identified under IC 22-4.1-4-12 as being required to meet the workforce needs in one (1) or more regions designated under IC 20-19-6-3 **(before its expiration)**.

(5) Information concerning whether the resources available to Ivy Tech Community College are sufficient to comply with IC 21-18-9-10.5 and section 8 of this chapter.

(c) This section expires July 1, 2020.

SECTION 151. IC 21-41-5-13, AS ADDED BY P.L.141-2016, SECTION 10, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 13. (a) The president of Ivy Tech Community College shall, before October 1 of each year, report to the governor, the budget committee, and the legislative council (in an electronic format under IC 5-14-6) concerning progress in the efforts to align career and technical education courses and programs and certification courses and programs with the workforce needs and educational requirements within each region designated under IC 20-19-6-3 **(before its expiration)**.

(b) This section expires July 1, 2020.

SECTION 152. IC 22-4.1-4-10, AS ADDED BY P.L.141-2016, SECTION 14, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 10. (a) The department shall prepare an occupational demand report regarding:

- (1) the expected workforce needs of Indiana employers for a ten (10) year projection; and
- (2) the training and education that will be required to meet those expected workforce needs.

The department shall categorize these workforce needs and training and education requirements by job classification or generally recognized labor categories on a statewide basis and also for each region designated under the WIOA.

(b) In preparing the report under subsection (a), the department shall consult with the following:

- (1) The commission for higher education.
- (2) Ivy Tech Community College.
- ~~(3) Each Indiana works council established under IC 20-19-6-4.~~
- ~~(4) (3) Employers and employer organizations.~~
- ~~(5) (4) Labor organizations.~~

(c) The department shall submit the report under subsection (a) to the governor, the budget committee, the legislative council (in an electronic format under IC 5-14-6), the commission for higher education, the board of trustees of Ivy Tech Community College, the department of education, the state board of education before July 1, 2016, and each regional or campus advisory committee established by Ivy Tech Community College.

(d) This section expires July 1, 2020.

SECTION 153. IC 22-4.5-9-4, AS AMENDED BY P.L.178-2016, SECTION 27, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2018]: Sec. 4. (a) The council shall do all of the following:



(1) Provide coordination to align the various participants in the state's education, job skills development, and career training system.

(2) Match the education and skills training provided by the state's education, job skills development, and career training system with the currently existing and future needs of the state's job market. In carrying out its duties under this subdivision, the council must consider the workforce needs and training and education requirements identified in the occupational demand report prepared by the department of workforce development under IC 22-4.1-4-10.

(3) In addition to the department's annual report provided under IC 22-4.1-4-8, submit not later than December 1 each year to the legislative council in an electronic format under IC 5-14-6 an inventory of current job and career training activities conducted by:

(A) state and local agencies; and

(B) whenever the information is readily available, private groups, associations, and other participants in the state's education, job skills development, and career training system.

The inventory must provide at least the information listed in IC 22-4.1-4-8(a)(1) through IC 22-4.1-4-8(a)(5) for each activity in the inventory.

(4) Submit, not later than July 1, 2014, to the legislative council in an electronic format under IC 5-14-6 a strategic plan to improve the state's education, job skills development, and career training system. The council shall submit, not later than December 1, 2013, to the legislative council in an electronic format under IC 5-14-6 a progress report concerning the development of the strategic plan. The strategic plan developed under this subdivision must include at least the following:

(A) Proposed changes, including recommended legislation and rules, to increase coordination, data sharing, and communication among the state, local, and private agencies, groups, and associations that are involved in education, job skills development, and career training.

(B) Proposed changes to make Indiana a leader in employment opportunities related to the fields of science, technology, engineering, and mathematics (commonly known as STEM).

(C) Proposed changes to address both:

(i) the shortage of qualified workers for current employment opportunities; and

(ii) the shortage of employment opportunities for individuals with a baccalaureate or more advanced degree.

(5) Complete, not later than August 1, 2014, a return on investment and utilization study of career and technical education programs in Indiana. The study conducted under this subdivision must include at least the following:

(A) An examination of Indiana's career and technical education programs to determine:

(i) the use of the programs; and

(ii) the impact of the programs on college and career readiness, employment, and economic opportunity.

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(B) A survey of the use of secondary, college, and university facilities, equipment, and faculty by career and technical education programs.

(C) Recommendations concerning how career and technical education programs:

- (i) give a preference for courses leading to employment in high wage, high demand jobs; and
- (ii) add performance based funding to ensure greater competitiveness among program providers and to increase completion of industry recognized credentials and dual credit courses that lead directly to employment or postsecondary study.

~~(6) Coordinate the performance of its duties under this chapter with the Indiana works councils established by IC 20-19-6-4.~~

(b) In performing its duties, the council shall obtain input from the following:

- (1) Indiana employers and employer organizations.
- (2) Public and private institutions of higher education.
- (3) Regional and local economic development organizations.
- (4) Indiana labor organizations.
- (5) Individuals with expertise in career and technical education.
- (6) Military and veterans organizations.
- (7) Organizations representing women, African-Americans, Latinos, and other significant minority populations and having an interest in issues of particular concern to these populations.
- (8) Individuals and organizations with expertise in the logistics industry.
- (9) Any other person or organization that a majority of the voting members of the council determines has information that is important for the council to consider.

SECTION 154. IC 24-3-2-2, AS AMENDED BY P.L.213-2015, SECTION 251, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 2. Unless the context in this chapter requires otherwise, the term:

(a) "Cigarette" shall mean and include any roll for smoking made wholly or in part of tobacco, irrespective of size or shape and irrespective of tobacco being flavored, adulterated, or mixed with any other ingredient, where such roll has a wrapper or cover made of paper or any other material; provided the definition in this paragraph shall not be construed to include cigars.

(b) "Person" or the term "company", used in this chapter interchangeably, means and includes any individual, assignee, receiver, commissioner, fiduciary, trustee, executor, administrator, institution, bank, consignee, firm, partnership, limited liability company, joint vendor, pool, syndicate, bureau, association, cooperative association, society, club, fraternity, sorority, lodge, corporation, municipal corporation, or other political subdivision of the state engaged in private or proprietary activities or business, estate, trust, or any other group or combination acting as a unit, and the plural as well as the singular number, unless the intention to give a more limited meaning is disclosed by the context.

(c) "Distributor" shall mean and include every person who sells, barter, exchanges, or distributes cigarettes in the state of Indiana to retail dealers for the purpose of resale, or who purchases for resale



cigarettes from a manufacturer of cigarettes or from a wholesaler, jobber, or distributor outside the state of Indiana who is not a distributor holding a registration certificate issued under the provisions of IC 6-7-1.

(d) "Retailer" shall mean every person, other than a distributor, who purchases, sells, offers for sale, or distributes cigarettes to consumers or to any person for any purpose other than resale, irrespective of quantity or amount or the number of sales.

(e) "Sell at retail", "sale at retail", and "retail sales" shall mean and include any transfer of title to cigarettes for a valuable consideration made in the ordinary course of trade or usual conduct of the seller's business to the purchaser for consummation or use.

(f) "Sell at wholesale", "sale at wholesale", and "wholesale sales" shall mean and include any transfer of title to cigarettes for a valuable consideration made in the ordinary course of trade or usual conduct of a distributor's business.

(g) "Basic cost of cigarettes" shall mean the invoice cost of cigarettes to the retailer or distributor, as the case may be, or the replacement cost of cigarettes to the retailer or distributor, as the case may be, within thirty (30) days prior to the date of sale, in the quantity last purchased, whichever is the lower, less all trade discounts and customary discounts for cash, plus the cost at full face value of any stamps which may be required by IC 6-7-1, if not included by the manufacturer in his selling price to the distributor.

(h) "Department" shall mean the alcohol and tobacco commission or its duly authorized assistants and employees.

(i) "Cost to the retailer" shall mean the basic cost of cigarettes to the retailer, plus the cost of doing business by the retailer as evidenced by the standards and methods of accounting regularly employed by him in his allocation of overhead costs and expenses paid or incurred and must include without limitation labor (including salaries of executives and officers), rent, depreciation, selling costs, maintenance of equipment, delivery costs, all types of licenses, taxes, insurance, and advertising; however, any retailer who, in connection with the retailer's purchase, receives not only the discounts ordinarily allowed upon purchases by a retailer, but also, in whole or in part, discounts ordinarily allowed on purchases by a distributor shall, in determining costs to the retailer pursuant to this section, add the cost to the distributor, as defined in paragraph (j), to the basic cost of cigarettes to said retailer as well as the cost of doing business by the retailer. In the absence of proof of a lesser or higher cost of doing business:

(1) by the retailer making the sale, the cost of doing business by the retailer shall be presumed to be ~~twelve percent (12%)~~ the following percent of the basic cost of cigarettes to the retailer: ~~in the absence of proof of a lesser or higher cost of doing business, the cost of doing business~~

(A) Until January 1, 2018, twelve percent (12%).

(B) During 2018, twelve and twenty-five hundredths percent (12.25%).

(C) During 2019, twelve and five tenths percent (12.5%).

(D) During 2020, twelve and seventy-five hundredths percent (12.75%).

(E) During 2021, thirteen percent (13%).



- (F) During 2022, thirteen and twenty-five hundredths percent (13.25%).**
- (G) During 2023, thirteen and five tenths percent (13.5%).**
- (H) During 2024, thirteen and seventy-five hundredths percent (13.75%).**
- (I) After 2024, fourteen percent (14%).**

(2) by the retailer, who in connection with the retailer's purchase receives not only the discounts ordinarily allowed upon purchases by a retailer, but also, in whole or in part, the discounts ordinarily allowed upon purchases by a distributor, shall be presumed to be ~~twelve percent (12%)~~ **the following percent** of the sum of the basic cost of cigarettes plus the cost of doing business by the distributor:

- (A) Until January 1, 2018, twelve percent (12%).**
- (B) During 2018, twelve and twenty-five hundredths percent (12.25%).**
- (C) During 2019, twelve and five tenths percent (12.5%).**
- (D) During 2020, twelve and seventy-five hundredths percent (12.75%).**
- (E) During 2021, thirteen percent (13%).**
- (F) During 2022, thirteen and twenty-five hundredths percent (13.25%).**
- (G) During 2023, thirteen and five tenths percent (13.5%).**
- (H) During 2024, thirteen and seventy-five hundredths percent (13.75%).**
- (I) After 2024, fourteen percent (14%).**

(j) "Cost to the distributor" shall mean the basic cost of cigarettes to the distributor, plus the cost of doing business by the distributor as evidenced by the standards and methods of accounting regularly employed by him in his allocation of overhead costs and expenses, paid or incurred, and must include without limitation labor costs (including salaries of executives and officers), rent, depreciation, selling costs, maintenance of equipment, delivery costs, all types of licenses, taxes, insurance, and advertising. In the absence of proof of a lesser or higher cost of doing business by the distributor making the sale, the cost of doing business by the wholesaler shall be presumed to be four percent (4%) of the basic cost of cigarettes to the distributor, plus cartage to the retail outlet, if performed or paid for by the distributor, which cartage cost, in the absence of proof of a lesser or higher cost, shall be deemed to be one-half of one percent (0.5%) of the basic cost of cigarettes to the distributor.

(k) "Registration certificate" refers to the registration certificate issued to cigarette distributors by the department of state revenue under IC 6-7-1-16.

SECTION 155. IC 33-37-5-21, AS AMENDED BY P.L.213-2015, SECTION 258, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 21. (a) This section applies to all civil, criminal, infraction, and ordinance violation actions.

(b) The clerk shall collect an automated record keeping fee of:

- (1) ~~nineteen twenty~~ **dollars (\$19) (\$20)** after June 30, 2015, and before July 1, 2017, 2017, in all actions except actions described in subdivision (2); **and**



(2) five dollars (\$5) ~~after June 30, 2015, and before July 1, 2017~~, with respect to actions resulting in the accused person entering into a:

(A) pretrial diversion program agreement under IC 33-39-1-8; or

(B) deferral program agreement under IC 34-28-5-1. ~~and~~

~~(3) five dollars (\$5) after June 30, 2017.~~

SECTION 156. IC 33-37-7-9, AS AMENDED BY SEA 322-2017, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 9. (a) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state nine million four hundred ninety-two thousand twenty-three dollars (\$9,492,023) for distribution under subsection (b).

(b) On June 30 and on December 31 of each year, the treasurer of state shall deposit into:

(1) the family violence and victim assistance fund established by IC 5-2-6.8-3 an amount equal to seven and eighty-five hundredths percent (7.85%);

(2) the Indiana judges' retirement fund established by IC 33-38-6-12 an amount equal to thirty-seven and sixty-eight hundredths percent (37.68%);

~~(3) the law enforcement academy building fund established by IC 5-2-1-13 an amount equal to two and fifty-one hundredths percent (2.51%);~~

~~(4) (3) the law enforcement training academy fund established by IC 5-2-1-13 an amount equal to ten and four hundredths percent (10.04%);~~ **twelve and fifty-five hundredths percent 12.55%.**

~~(5) (4) the violent crime victims compensation fund established by IC 5-2-6.1-40 an amount equal to eleven and sixty-six hundredths percent (11.66%);~~

~~(6) (5) the motor vehicle highway account an amount equal to nineteen and five hundredths percent (19.05%);~~

~~(7) (6) the fish and wildlife fund established by IC 14-22-3-2 an amount equal to twenty-five hundredths percent (0.25%);~~

~~(8) (7) the Indiana judicial center drug and alcohol programs fund established by IC 12-23-14-17 for the administration, certification, and support of alcohol and drug services programs under IC 12-23-14 an amount equal to one and six-tenths percent (1.6%); and~~

~~(9) (8) the DNA sample processing fund established under IC 10-13-6-9.5 for the funding of the collection, shipment, analysis, and preservation of DNA samples and the conduct of a DNA data base program under IC 10-13-6 an amount equal to nine and thirty-six hundredths percent (9.36%);~~

of the amount transferred by the auditor of state under subsection (a).

(c) On June 30 and on December 31 of each year, the auditor of state shall transfer to the treasurer of state for deposit into the public defense fund established under IC 33-40-6-1 three million seven hundred thousand dollars (\$3,700,000).

SECTION 157. IC 34-30-2-24.5 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: **Sec. 24.5. IC 8-14-15-4(d) (Concerning officers,**



directors, and employees of the Indiana finance authority and the treasurer of state for transfers made from the next generation trust fund to the next level Indiana trust and trust fund).

SECTION 158. IC 35-38-6-1 IS AMENDED TO READ AS FOLLOWS [EFFECTIVE UPON PASSAGE]: Sec. 1. (a) The punishment of death shall be inflicted by intravenous injection of a lethal substance or substances into the convicted person:

- (1) in a quantity sufficient to cause the death of the convicted person; and
- (2) until the convicted person is dead.

(b) The death penalty shall be inflicted before the hour of sunrise on a date fixed by the sentencing court. However, the execution must not occur until at least one hundred (100) days after the conviction.

(c) The superintendent of the state prison, or persons designated by the superintendent, shall designate the person who is to serve as the executioner.

(d) The department of correction may adopt rules under IC 4-22-2 necessary to implement subsection (a).

(e) The department of correction may make and enter into a contract with an outsourcing facility, a wholesale drug distributor (as defined in IC 25-26-14-12), a pharmacy (as defined in IC 25-26-13-2), or a pharmacist (as defined in IC 25-26-13-2) for the issuance or compounding of a lethal substance necessary to carry out an execution by lethal injection. A lethal substance provided to the department of correction under this subsection may be used only for the purpose of carrying out an execution by lethal injection. The issuance or compounding of a lethal substance under this subsection:

- (1) does not constitute the practice of pharmacy (as defined in IC 25-26-13-2);**
- (2) is not subject to the jurisdiction of the Indiana board of pharmacy, the medical licensing board of Indiana, the Indiana state department of health, or the Indiana professional licensing agency; and**
- (3) is exempt from the provisions of IC 25.**

A pharmacist, a pharmacy, a wholesale drug distributor, or an outsourcing facility that provides a lethal substance to the department of correction under this subsection shall label the lethal substance with the name of the lethal substance, its dosage, a projected expiration date, and a statement that the lethal substance shall be used only by the department of correction for the purpose of carrying out an execution by lethal injection.

(f) The following are confidential, are not subject to discovery, and may not be introduced as evidence in any civil or criminal proceeding:

- (1) The identity of a person described in subsection (e) that enters into a contract with the department of correction under subsection (e) for the issuance or compounding of lethal substances necessary to carry out an execution by lethal injection.
- (2) The identity of an officer, an employee, or a contractor of a person described in subdivision (1).



(3) The identity of a person contracted by a person described in subdivision (1) to obtain equipment or a substance to facilitate the compounding of a lethal substance described in subsection (e).

(4) Information reasonably calculated to lead to the identity of a person described in this subsection, including a:

(A) name;

(B) residential or business address;

(C) residential or office telephone number; and

(D) Social Security number or tax identification number.

This subsection applies retroactively to any request for information, discovery request, or proceeding, no matter when made or initiated.

SECTION 159. IC 36-1.5-3-5, AS AMENDED BY P.L.255-2013, SECTION 7, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]: Sec. 5. (a) **This subsection applies to the plan of reorganization of a political subdivision other than a school corporation.** The plan of reorganization must specify the amount (if any) of the decrease that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized political subdivision to:

(1) eliminate double taxation for services or goods provided by the reorganized political subdivision;

or

(2) eliminate any excess by which the amount of property taxes imposed by the reorganized political subdivision exceeds the amount necessary to pay for services or goods provided under this article.

(b) **This subsection applies to a plan of reorganization for a school corporation. The plan of reorganization must specify the adjustments that the department of local government finance shall make to the maximum permissible property tax levies, maximum permissible property tax rates, and budgets under IC 6-1.1-17 and IC 6-1.1-18.5 of the reorganized school corporation. The following apply to a school corporation reorganized under this article:**

(1) **The new maximum permissible tax levy under IC 20-46-4 (transportation fund) and IC 20-46-5 (school bus replacement) for the first calendar year in which the reorganization is effective equals the following:**

STEP ONE: Determine for each school corporation that is part of the reorganization the sum of the maximum levies under IC 20-46-4 and IC 20-46-5 for the ensuing calendar year, including the assessed value growth quotient (IC 6-1.1-18.5-2) adjustment for the ensuing calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Multiply the STEP TWO amount by one hundred three percent (103%).

(2) **The new maximum capital projects fund rate under IC 20-46-6 for the first calendar year in which the reorganization is effective equals the following:**



STEP ONE: Determine for each school corporation that is part of the reorganization the maximum amount that could have been levied using the school corporation's maximum capital projects fund tax rate for the calendar year.

STEP TWO: Determine the sum of the STEP ONE amounts.

STEP THREE: Determine the sum of the certified net assessed values for all the school corporations that are part of the reorganization.

STEP FOUR: Divide the STEP TWO amount by the STEP THREE amount.

STEP FIVE: Determine the product (rounded to the nearest ten-thousandth (0.0001)) of:

- (i) the STEP FOUR amount; multiplied by**
- (ii) one hundred (100).**

(3) The new debt service levy under IC 20-46-7 for the first calendar year in which the reorganization is effective equals the sum of the debt service fund levies for each school corporation that is part of the reorganization that would have been permitted under IC 20-46-7 in the calendar year.

~~(b)~~ **(c)** The fiscal body of the reorganized political subdivision shall determine and certify to the department of local government finance the amount of the adjustment (if any) under subsection (a).

~~(c)~~ **(d)** The amount of the adjustment (if any) under subsection (a) **or (b)** must comply with the reorganization agreement under which the political subdivision **or school corporation** is reorganized under this article.

SECTION 160. IC 36-1.5-6 IS ADDED TO THE INDIANA CODE AS A NEW CHAPTER TO READ AS FOLLOWS [EFFECTIVE JULY 1, 2017]:

Chapter 6. School Corporation Efficiency Incentive Grants

Sec. 1. As used in this chapter, "ADM" means average daily membership (as defined in IC 20-18-2-2).

Sec. 2. A school corporation that is formed from a reorganization of two (2) or more school corporations under IC 36-1.5-4 after June 30, 2017, is eligible for a one (1) time school corporation efficiency incentive grant under this chapter after satisfying all the requirements of IC 36-1.5-4.

(b) The grant program shall be administered by the department of education. Grants made under this chapter shall be paid from money appropriated to the department of education from the general assembly for that purpose.

(c) The state board of education may adopt rules under IC 4-22-2 necessary to administer the grant program.

Sec. 3. The grant amount is:

- (1) two hundred fifty dollars (\$250); multiplied by**
- (2) the sum of the most recent ADMs of the reorganized school corporations.**

Sec. 4. A reorganized school corporation that receives a grant under this chapter may use the grant for one (1) or more of the following purposes:



(1) Payment of expenses associated with the reorganization, including professional service fees, legal costs, and necessary capital expenditures.

(2) Providing salary bonuses to teachers. A bonus provided under this chapter is not subject to collective bargaining under IC 20-29-6, but a discussion of the bonus must be held.

SECTION 161. IC 36-4-3-11.8 IS ADDED TO THE INDIANA CODE AS A NEW SECTION TO READ AS FOLLOWS [EFFECTIVE APRIL 30, 2017 (RETROACTIVE)]: **Sec. 11.8. (a) This section does not apply to an annexation that meets both of the following requirements:**

(1) The annexation is an annexation under section 4(a)(2), 4(a)(3), 4(b), 4(h), 5, or 5.1 of this chapter.

(2) No parcel within the annexation territory is subject to a waiver of remonstrance.

(b) This section does not apply to an annexation and annexation ordinance that is adopted and effective before April 30, 2017.

(c) This section applies to property that meets both of the following requirements:

(1) Is in an unincorporated area on January 1, 2017.

(2) Is within the boundaries of a territory proposed to be annexed in an annexation ordinance that was introduced after December 31, 2016, and before July 1, 2017.

(d) An annexation ordinance that is introduced after December 31, 2016, and before July 1, 2017, that proposes to annex property to which this section applies is void and the annexation action is terminated. A municipality may not take any further action to annex any of the property to which this section applies until after June 30, 2022, including introducing another annexation ordinance covering some or all of the property covered by this section after June 30, 2017, and before July 1, 2022.

SECTION 162. [EFFECTIVE JULY 1, 2017] **(a) The budget agency and the Indiana department of administration shall use the remaining balance of five million dollars (\$5,000,000) appropriated for the budget agency for the health and safety contingency fund by HEA 1001-2013, SECTION 33, to rehabilitate and improve the building located at 777 North Meridian Street in the city of Indianapolis so that the building may be used to provide services to Indiana's veterans.**

(b) The budget agency may not allot the money to the Indiana department of administration until after review by the budget committee.

(c) This SECTION expires June 30, 2019.

SECTION 163. [EFFECTIVE UPON PASSAGE] **(a) The budget agency shall transfer from the state general fund to the state bicentennial capital account the amount needed to cover obligations incurred before July 1, 2017. However, the amount transferred may not exceed five million five hundred thousand dollars (\$5,500,000).**

(b) There is appropriated from the state general fund for the budget agency to make the transfer to the state bicentennial capital account the amount needed to cover the transfer.

(c) This SECTION expires June 30, 2019.



SECTION 164. P.L.213-2015, SECTION 268, IS AMENDED TO READ AS FOLLOWS [EFFECTIVE JUNE 29, 2017]: SECTION 268. (a) The definitions of "vacation leave", "sick leave", and other types of leave used on July 1, 2010, by the department apply to this SECTION.

(b) As used in this SECTION, "department" refers to the state personnel department established by IC 4-15-2.2-13.

(c) As used in this SECTION, "pilot program" refers to the pilot program reestablished under subsection (d).

(d) The personnel committee of the legislative council for the legislative branch of state government or the Indiana supreme court for the judicial branch of state government, or both, may reestablish the pilot program established by P.L.220-2005, SECTION 8 (before its expiration), and P.L.220-2005, SECTION 10 (before its expiration), including provisions adopted by:

- (1) the deferred compensation committee (established by IC 5-10-1.1-4) to govern the pilot program;
- (2) the department under LSA Document #06-488(E) (before its expiration), filed with the publisher of the Indiana Register on October 16, 2006, to govern the pilot program; or
- (3) the auditor of state to administer the pilot program.

(e) Subject to the Internal Revenue Code and applicable regulations, the personnel committee of the legislative council or the Indiana supreme court, or both, may adopt procedures to implement and administer the pilot program, including provisions established or reestablished under subsection (d).

(f) The auditor of state shall provide for the administration of the pilot program.

(g) This SECTION expires June 30, ~~2017~~. **2019.**

SECTION 165. P.L.234-2007, SECTION 180, IS REPEALED [EFFECTIVE JULY 1, 2017]. ~~SECTION 180. (a) The trustees of the following institution may issue and sell bonds under IC 21-34, subject to the approvals required by IC 21-33-3, for the following project if the sum of principal costs of any bond issued; excluding amounts necessary to provide money for debt service reserves; credit enhancement; or other costs incidental to the issuance of the bonds; does not exceed the total authority listed below for that institution:~~

Purdue University West Lafayette =	
Animal Disease Diagnostic Laboratory (BSL-3)	\$30,000,000

~~(b) The Indiana department of administration; acting on behalf of the Indiana state board of animal health; in recognition of the state board of animal health's statutory functions involving the animal disease diagnostic laboratory; is hereby authorized and directed to enter into a lease agreement; as lessee; with the trustees of Purdue University as lessor; covering animal disease diagnostic laboratory (BSL-3):~~

SECTION 166. [EFFECTIVE JULY 1, 2017] **(a) The authorization to issue and sell bonds under IC 21-34 for twenty-two million dollars (\$22,000,000) for Indiana University Southeast's education and technology building, as set forth in P.L.205-2013, SECTION 348, is canceled.**

(b) This SECTION expires June 30, 2019.



SECTION 167. [EFFECTIVE JULY 1, 2017] (a) The trustees of the following institutions may issue and sell bonds after June 30, 2018, under IC 21-34, subject to the approvals required by IC 21-33-3, for the following projects if the sum of principal costs of any bonds issued, excluding amounts necessary to provide money for debt service reserves, credit enhancement, or other costs incidental to the issuance of the bonds, does not exceed the total authority listed below for that institution:

Indiana University	
Bloomington Campus	
Old Crescent Renovation - Phase III	78,500,000
Purdue University	
West Lafayette Campus	
Agricultural and Biological Engineering Building Renovation and Addition	69,000,000
Purdue Northwest Campus	
Bioscience Innovation Building	35,100,000
University of Southern Indiana	
Physical Activities Center Classroom Expansion and Renovation - Phase II	41,000,000
Ball State University	
Science, Technology, Engineering, Math and Health Professions Facilities - Phase II	87,500,000
Ivy Tech Community College	
Kokomo Renovation and Addition	40,200,000
Muncie Renovation and Addition	38,700,000

(b) Of the authorizations for projects in subsection (a), the maximum amount eligible for fee replacement is the authorized amount.

SECTION 168. [EFFECTIVE JULY 1, 2017] (a) As used in this chapter, "performance funding formula" means the funding model established by the commission to provide incentives to state educational institutions that improve in specific metrics.

(b) The commission for higher education shall do the following:

- (1) Review the metrics used in the performance funding formula to ensure that those metrics are aligned with the state's higher education goals.
- (2) Make recommendations before July 1, 2018, to the legislative council in an electronic format under IC 5-14-6 and to the governor concerning the metrics used in the performance funding formula.

(c) This SECTION expires December 31, 2018.

SECTION 169. [EFFECTIVE JULY 1, 2017] (a) The commission for higher education shall do the following:



(1) Study the effectiveness of the academic program at the Indiana Academy for Science, Math, and Humanities in Muncie.

(2) Report its findings concerning the study under subdivision (1) before November 1, 2017, to the legislative council in an electronic format under IC 5-14-6 and to the governor.

(b) This SECTION expires December 31, 2017.

SECTION 170. [EFFECTIVE UPON PASSAGE] (a) The legislative council is urged to assign to the interim study committee on courts and the judiciary during the 2017 legislative interim the topic of studying the issues related to the following:

(1) Providing indigent defense services to persons charged with a misdemeanor.

(2) Providing defense services to parents of children who are alleged to be children in need of services under IC 31-34.

(b) This SECTION expires January 1, 2018.

SECTION 171. [EFFECTIVE JULY 1, 2017] (a) The definitions in IC 20 apply to this SECTION.

(b) The state board shall amend 511 IAC 7-41-6(a) to provide that, beginning July 1, 2018, developmental delay is a disability category solely for students who are at least three (3) years of age and less than nine (9) years of age.

(c) This SECTION expires July 1, 2018.

SECTION 172. [EFFECTIVE UPON PASSAGE] (a) Notwithstanding the effective date in P.L.181-2016, SECTION 16, for IC 6-2.5-1-19.5, the effective date of that SECTION is July 1, 2018, and not July 1, 2017.

(b) Notwithstanding the effective date in P.L.181-2016, SECTION 19, for IC 6-2.5-4-4, the effective date of that SECTION is July 1, 2018, and not July 1, 2017.

(c) Notwithstanding the effective date in P.L.181-2016, SECTION 20, for IC 6-2.5-4-4.2, the effective date of that SECTION is July 1, 2018, and not July 1, 2017.

SECTION 173. [EFFECTIVE JANUARY 1, 2018] (a) IC 6-3-2-4, as amended by this act, applies to taxable years beginning after December 31, 2017.

(b) This SECTION expires June 30, 2022.

SECTION 174. [EFFECTIVE JULY 1, 2017] (a) The general assembly recognizes that HEA 1520-2017 amends IC 4-4-11.4-29 and that SEA 507-2017 repeals IC 4-4-11.4. The general assembly intends to repeal IC 4-4-11.4 effective July 1, 2017.

(b) This SECTION expires January 1, 2018.

SECTION 175. An emergency is declared for this act.

